

LEGISLATIVE BRANCH APPROPRIATIONS FOR FISCAL YEAR 2007

WEDNESDAY, MAY 3, 2006

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 10:34 a.m., in room SD-138, Dirksen Senate Office Building, Hon. Wayne Allard (chairman) presiding.
Present: Senator Allard.

OFFICE OF COMPLIANCE

STATEMENT OF TAMARA E. CHRISLER, ACTING EXECUTIVE DIRECTOR

ACCOMPANIED BY:

**SUSAN ROBFOGEL, CHAIRWOMAN, BOARD OF DIRECTORS
PETER EVELETH, GENERAL COUNSEL
ALMA CANDELARIA, DEPUTY EXECUTIVE DIRECTOR
BETH HUGHES BROWN, BUDGET AND FINANCE OFFICER**

OPENING STATEMENT OF SENATOR WAYNE ALLARD

Senator ALLARD. The subcommittee will come to order.

Good morning. This morning we meet to take testimony from three legislative branch agencies: the Office of Compliance, the Government Printing Office (GPO), and the Congressional Budget Office (CBO). Each agency will appear as a separate panel. I would like to welcome all of our witnesses this morning.

I will hear first from Ms. Tamara Chrisler, Acting Executive Director of the Office of Compliance, accompanied by Ms. Susan Robfogel, Chair of the Board of the Office of Compliance, and Pete Eveleth as General Counsel.

The Office of Compliance is requesting \$3.4 million, an increase of roughly 11 percent over the current budget, and would fund three additional employees. The Office's budget is small in view of its responsibilities. I plan to focus most of my questions on the recent revelations concerning the health and safety of the utility tunnels.

Ms. Chrisler, you may proceed with your testimony.

Ms. CHRISLER. Thank you, Mr. Chairman. Good morning.

SUMMARY STATEMENT OF TAMARA E. CHRISLER

Senator ALLARD. Good morning.

Ms. CHRISLER. As you mentioned, Chairwoman Robfogel and General Counsel Pete Eveleth are with me this morning. Also joining us from the Office of Compliance are Alma Candelaria, Deputy

Executive Director, and Beth Hughes Brown, our Budget and Finance Officer.

And let me take a moment on behalf of the Office of Compliance and thank you for the opportunity to present to you this morning in support of our fiscal 2007 budget request. Chair Robfogel and I have submitted for the record written statements, and we appreciate the opportunity to be able to appear before you this morning and just highlight some of the items that we believe to be of significant importance in our budget request.

As you know, in fiscal year 2006, the Office of Compliance submitted to you a zero-based budget request. And we thank the chairman, we thank the subcommittee, for support in that budget request. Because of your support, the Office was able to carry out its mission, as well as improve its inspection program, which is of great significance.

Again, in fiscal year 2007, the Office of Compliance is presenting a zero-based budget request. And the request is designed to assist the Office in ensuring that Congress is a model employer, that the legislative branch is a model workplace and a safe working environment. And we are asking your support in supporting our budget request so that we can meet those goals.

Specifically, the Office of Compliance is requesting additional funding to further a GAO recommended baseline survey. This survey will allow us to gather data so that we know what the employees and the employers in the legislative community know about their rights, their responsibilities, the CAA, as well as the Office of Compliance. This information will allow the Office to engage in best practices, so that we may measure our performance and so that we may focus our efforts on education and outreach to the areas that are needed.

If we focus our efforts and provide assistance and resources where the need is, then we will be able to ensure that offices become self-sufficient and enable offices to know where potential violations are themselves, correcting them themselves, to assure a safe and healthy working environment. This type of proactive approach will, in the long run, save money. And Senator, it will save lives.

NEW FTE POSITIONS REQUESTED

In addition, the Office of Compliance is requesting additional funding for three additional full-time equivalent (FTE) positions, one being for a program manager-type position to assist with dedicated service to the Office's programs and projects, another for the accounts payable function of the office, and the other for a management analyst position for the General Counsel's Office.

Now significantly, the management analyst position will allow the inspectors to go about the business of inspecting, which is where their skills are and where their knowledge is. Currently, the inspectors inspect facilities. They return to the Office. They input data. They record data. They track data, which is taking away from where the inspectors are really needed, out in the field, inspecting the facilities, monitoring progress and abatement. And we request your support in the request for this additional management analyst position in the General Counsel's Office.

I would like to note, Mr. Chairman, that two of the three positions that we are requesting can and will be funded by the Office of Compliance through reprogramming of contract money. So although we are requesting three FTE positions, we are in the position to find two of those ourselves.

Last, but equally as significant as the other items that I have mentioned, is the Office's request for additional funding to inspect the Capitol Visitor Center. Because the center is anticipated to be completed and opened in the near future, this area will increase the Office of Compliance's responsibility by 0.7 million square feet. And because the Office is committed to ensuring that this area, as well as the rest of the campus, is safe and healthy and compliant, we are requesting your assistance in ensuring that funding allows us to do this.

PREPARED STATEMENT

Again, Mr. Chairman, these are just but a few items in our budget request that I wanted to highlight and bring to your attention this morning. I thank you for the opportunity to be able to present to you. At this time, I would ask that Chair Robfogel be allowed a few minutes to address the subcommittee. And Chair Robfogel, General Counsel Eveleth, and myself will remain available to answer any questions that you have.

[The statement follows:]

PREPARED STATEMENT OF TAMARA E. CHRISLER

Thank you, Mr. Chairman and Members of the Committee, for the opportunity to appear before you today in support of the fiscal year 2007 budget request of the Office of Compliance.

Board Chair Susan Robfogel is in attendance with me today to express the support of the Board of Directors for the Office's fiscal year 2007 budget request. Also with me today are General Counsel Peter Ames Eveleth, Deputy Executive Director Alma Candelaria, and Administrative and Budget Officer, Beth Hughes Brown.

We present you again this year a completely zero based budget. We hope that the transparency of the zero based format assists the Committee in understanding from the ground up how the Office operates its mandated programs in employment dispute resolution, in Occupational Safety and Health and ADA public access inspections and enforcement, and in education and outreach programs. This year, we have requested a total of approximately \$300,000 in additional funding.

2005 marked the 10th anniversary of the passage of the Congressional Accountability Act of 1995. As we begin this agency's second decade, we can look back at much progress, and some rough patches along the way. In February, 2004, the Government Accountability Office issued its major Report "Office of Compliance: Status of Management Control Efforts to Improve Effectiveness" GAO-04-400. At approximately the same time, the Office issued its first comprehensive Strategic Plan for fiscal years 2004-2006. Both of these documents, and our strides in implementing them since 2004, reflect the continuing improvement in the Office's focus on its core missions, and its growing engagement with Congress and legislative branch agencies in collaborative initiatives to enhance our services in the mandated areas of dispute resolution, safety and health enforcement, and education and outreach to our regulated community.

Recently, the Office formally adopted interim performance measures for fiscal year 2006, after extensive stakeholder consultations—including with the staff of this Committee. Such performance measures represent another step toward the best practices in strategic planning and management controls which GAO challenged this Office to achieve. We are now also fully engaged in two other strategic initiatives: the preparation of our next Strategic Plan, which will guide the Office in fiscal year 2007 and beyond; and a complete Human Capital Review, which is intended to result in a position classification, pay banding, and possible pay for performance structure for the Office. The Office's budget request is designed to further the goals of our strategic plan.

As recommended in the GAO Report and reflected in our Strategic Plan, we continue to shift our focus in providing all our services to a more interactive approach, enabling regulated employers to achieve greater voluntary compliance with the varied requirements of the Congressional Accountability Act. Legislative branch agencies are faced with many employment, security and safety challenges. Our primary mission is to advance safety, health and workplace rights for employees and employers of the legislative branch, as mandated by the Act. We strive toward that goal with just 17 full time equivalent (FTE) positions and a current budget of about \$3.1 million.

As this agency continues to implement the recommendations of the GAO Report, and the goals and performance measures of our Strategic Plan, we meet new operational challenges as we become better at what we do. We have carefully prioritized our needs, and limited our requested enhancements to meet only those challenges which handicap our ability to make broader progress at this point in our development. This morning, I will highlight a few of those requests.

DISPUTE RESOLUTION

The Office's day-to-day employment dispute resolution function involves controversies under ten different laws, everything from alleged discrimination to the alleged failure to pay required overtime. This dispute resolution activity remains largely unnoticed because of the confidential nature of the counseling, mediation and hearing processes conducted by the Office. Hundreds of disputes in nearly all legislative branch agencies, as well as in offices of Members and committees of both chambers have quietly been addressed through the administrative dispute resolution system since 1995. The assistance to employing offices and employees provided by this discreet service is perhaps one of the great untold success stories of the past decade regarding our contribution to the quality of Congress's internal operations.

We are, however, operating with an employment dispute resolution electronic case tracking system which was installed at the agency's inception in 1996. This antiquated system (which is entirely different from the Occupational Safety and Health inspection tracking system which this Committee authorized last year) is very hard to use, and is no longer compatible with our other operating systems. We have explored whether it would be cost effective to upgrade this system, and have been told by experts that it is cheaper to replace it. We are requesting funds to implement that recommendation.

SAFETY AND HEALTH ENFORCEMENT

GAO's 2004 Report found that "In contrast to most other CAA requirements, OOC is not fully in compliance with the CAA requirement that it 'conduct periodic inspections of all facilities' of the agencies covered by the provision." GAO also found a "dramatic increase" in the number of health and safety inspections requested by employing offices and covered employees, and observed that the Office's resources "have not kept pace with this growth." We thank this Committee for its positive response to GAO's finding.

For the current fiscal year, the Office received a significant increase in OSH inspection and enforcement funding to enable us for the first time to substantially comply with the Act's mandate that this agency complete a comprehensive safety and health inspection of the entire Capitol Hill campus during each Congress. The Office is now well along in this definitive effort to establish the required authoritative and comprehensive OSH base line for all 17 million square feet of covered space in the D.C. metro area. General Counsel Eveleth and I are pleased to report to you that as of today, the agency is on track to complete that biennial inspection by the end of the 109th Congress. Inspection of 100 percent of the campus is one of our recently adopted performance measures. Thanks to you, we are better able to help the Capitol Hill campus become safer and healthier much faster than otherwise would have been possible.

As the Office gains experience with this much more intense and efficient inspection regimen, it has become clear that the "down time" our inspectors are currently spending back in the office doing administrative tasks can be more cheaply and efficiently performed by a lower cost management analyst, thus freeing up the inspectors to spend more time in the field. We expect that the cost of this FTE will be substantially offset by increased efficiencies in the use of inspector time, and we plan to reprogram contractor funds to fund the salary of this position. As several of our performance measures relate to increased inspection efficiencies, we have requested that you approve an additional position for this purpose.

The impact of the opening of the Capitol Visitor Center during fiscal year 2007 will add approximately 0.7 million square feet to our inspection load. Thus, we are seeking funding for that added activity.

EDUCATING OUR CONSTITUENCY

The Office is mandated by Congress to “carry out a program of education for Members of Congress and other employing authorities of the legislative branch of the Federal Government respecting the laws made applicable to them and a program to inform individuals of their rights under laws made applicable to the legislative branch of the Federal Government. . . .” 2 U.S.C. 1381(h)(1). While the Office continues to carry out this core mandate of the Act through various educational and outreach activities, we have maximized our limited capacity in this area.

A key obstacle to greater educational effectiveness is our lack of comprehensive data regarding how and where we need to focus our efforts. A primary agency performance measurement tool recommended in the GAO Report is the establishment of a knowledge baseline regarding the Congressional community’s understanding of the Act and of the Office’s role in enforcing it. Such a baseline can best be established through a survey. The survey data will help us better target our education efforts and measure results. We are seeking funding for the undertaking of survey activities to establish the baseline against which we will measure our success in achieving our statutory mandates.

MANAGEMENT SUPPORT

The Office of Compliance makes extensive use of service vendors and personal services contractors to provide many of our vital functions, including employment dispute resolution and OSH inspections. In general, this practice provides significant cost savings and allows this small agency to maintain capacities on an “as-needed” basis. However, some core internal control functions are currently also under-served or contracted out due to our limited FTE authorization, which at 17 is two less than the agency was authorized in fiscal year 1998.

The Office has just two FTE’s dedicated to all IT, HR, general administrative support and fiscal management functions. This situation has resulted in inefficiencies, work load overages, and the necessity to contract out core functions, such as accounts payable. Accounting staff is necessary to ensure that a separation of functions can be maintained in our fiscal management. We are requesting one analyst FTE to address our HR and program analyst deficit, and an accounting technician FTE to bring our basic accounting and other fiscal responsibilities on staff. The cost of these FTE’s will be partially offset by a reduction in contractor expenses.

CONCLUSION

There are a number of other requests in our budget submission which we commend for your consideration. On behalf of the Board of Directors, the appointees and the entire staff of the Office of Compliance, I again thank you for the Committee’s support of the efforts of this agency; I recommit to you that we are dedicated to using every dollar of taxpayer money carefully and efficiently; and I respectfully request that the Committee respond favorably to the Office’s fiscal year 2007 budget request. We will be happy to respond to any questions which you may have.

APPENDIX—THE CONGRESSIONAL MANDATE

The Office of Compliance was established to administer and enforce the Congressional Accountability Act of 1995, 2 U.S.C. 1301, et seq. The Congressional Accountability Act applies 12 workplace, employment, and safety laws to Congress and other agencies and instrumentalities of the legislative branch. These laws include: the Occupational Safety and Health Act of 1970; the Federal Service Labor Management Relations Act; Title VII of the Civil Rights Act of 1964; the Americans with Disabilities Act; the Rehabilitation Act of 1970; the Family Medical Leave Act; the Fair Labor Standards Act; the Age Discrimination in Employment Act; the Worker Adjustment and Retraining Notification Act; the Employee Polygraph Protection Act; and veteran’s employment and reemployment rights at Chapter 43 of Title 38 of the U.S. Code. The Act was amended in 1998 to apply the Veterans Employment Opportunities Act.

Currently, the Office has regulatory responsibility for employers in the legislative branch employing approximately 30,500 employees. The Office is also charged by the Act to make recommendations to Congress as to whether additional employment and public services and accommodations laws should be made applicable to the employing offices within the legislative branch.

Under the direction of the Executive Director, the Office administers a dispute resolution system to resolve disputes and complaints arising under the Act, and carries out an education and training program for the regulated community on the rights and responsibilities under the Act. The General Counsel has independent investigatory and enforcement authority with respect to certain of the laws administered under the Act and represents the Office in all judicial proceedings under the Act.

THE BOARD OF DIRECTORS AND STAFF

The Office has a five-member, non-partisan Board of Directors appointed by the Majority and Minority Leaders of both houses of Congress. The Board appoints the executive leadership of the agency, acts as an adjudicative body in reviewing appeals by parties aggrieved by decisions of Hearing Officers on complaints filed with the Office, and advises Congress on needed changes and amendments to the Act. The Board members, who serve five-year terms, come from across the United States, and are chosen for their expertise in the laws administered under the Act. In a major vote of confidence in the current leadership of the Office, Congress enacted legislation in 2004 and in 2005 granting authority to the bipartisan Congressional leadership to appoint the current chair and members of the Board to a second 5 year term in office, and to the Board to appoint the executive leadership of the Office to second five year terms.

The Office of Compliance currently has 17 full-time employees and pays the part-time Board members on a "when-actually-employed" basis. Our staff performs a multiplicity of functions, including: administrative dispute resolution, occupational safety and health and disability access enforcement, labor relations regulatory activity, education, Congressional relations, professional support for the Board of Directors, and general administrative and fiscal functions. The Office performs the functions of multiple agencies in and for the Executive Branch, including but not limited to, the Equal Employment Opportunity Commission, Occupational Safety and Health Administration, Occupational Safety and Health Review Commission, and the Federal Labor Relations Authority. The Office regularly contracts for the part-time, as-needed services of approximately 30 other individuals as mediators, Hearing Officers, and safety and health investigators. The Office's senior full-time safety and health investigator is on permanent detail from the Department of Labor's Occupational Safety and Health Administration.

BIENNIAL OSH-ADA INSPECTION

In the fiscal year 2006 budget, Congress provided substantial additional funding to permit the Office of the General Counsel to meet the statutory Occupational Safety and Health mandate to examine all legislative branch facilities during the 109th Congress biennial cycle of inspections. The total amount of covered premises in the metropolitan Washington region is in excess of 17 million square feet. The Office is intensely engaged in the implementation of the biennial inspection regimen, and continues to carry out the GAO recommendation that the inspection program include interactive and collegial involvement on the part of the affected agencies.

As part of the revamped inspection regimen, the Office is now utilizing a recently installed electronic tracking and report system for OSH inspections and enforcement, and has adopted a widely recognized risk assessment code (RAC) to classify all hazards found to exist in the ongoing inspections.

MORE CONSULTATION AND COLLEGIALITY

GAO also recommended that "OOC should establish congressional and agency protocols . . . between the Congress, legislative branch agencies, and OOC on what can be expected as OOC carries out its work." (GAO Report, Introduction) The Office of Compliance continues to develop new approaches to OSH and other regulatory activities which involve greater consultation, coordination, and transparency in dispute resolution, and in investigatory and enforcement activity. This effort is time intensive and requires partnerships with employing offices and employees and a concomitant educational and training initiative to improve management and employee understanding of best practices. These activities are focused on fostering more cooperative efforts at achieving compliance with standards but they do not negate the statutory mandate to enforce the law.

STRAINS ON AGENCY RESOURCES

In last year's budget request, this Office highlighted the drastic under-resourcing of the agency's OSH inspection and enforcement responsibility. We thank the Com-

mittee for its leadership in significantly improving the level of resources we are able to employ in meeting the OSH challenge.

In this budget, the problems are less evident to outside stakeholders, but no less urgent with regard to the Office's ability to carry out its mission. We are requesting three FTE's to address chronic major shortfalls in our administrative support capabilities in IT and equipment maintenance, fiscal controls; and to address the emerging need for more administrative support for the much larger OSH inspection activities. The Office of Compliance continues to operate with three fewer FTE's than it was provided when the agency began operations in 1996. However, our responsibilities and statutory missions have not diminished. We respectfully submit that restoration of three FTE's will greatly assist the Office in continuing to address the recommendations of the 2004 GAO Report, and better serving our customer community.

We are also asking for funds to better focus our education and outreach efforts, and a number of other inexpensive enhancements to many of our program efforts which nevertheless provide significant added value to the quality of workplace life on Capitol Hill.

Senator ALLARD. Ms. Robfogel.

SUMMARY STATEMENT OF SUSAN ROBFOGEL

Ms. ROBFOGEL. I will emphasize only one point because I know there are, as you say, there are many questions that you have with respect to some of the safety violations that have been discussed so extensively in the last few weeks.

I wanted to take this opportunity to thank you for the support that you provided to the Office during the 2006 year. As a result of the increased funding that we received last year, the Office has been able to engage in a much rigorous inspection of the entire congressional campus. And although we are only 63 percent completed with respect to our inspection with the 109th Congress, we have already identified 10,000 safety violations.

PREPARED STATEMENT

What our emphasis needs to be as we go forward is to be sure that we have the funding to deal with abatement and enforcement and to help the various constituents who are part of the congressional campus to keep their building safe, and to learn how to recognize safety violations when they see them.

We want to keep doing the job that we are trying to do, to keep people who work on the Hill safe and to keep visitors who come to the Hill safe. You have gone a long ways toward helping us do our job. We need a little bit more support going forward.

Thank you.

[The statement follows:]

PREPARED STATEMENT OF SUSAN ROBFOGEL

Good morning, Mr. Chairman and members of the Committee. I am Susan Robfogel. As Chair of the Board of Directors of the Office of Compliance, I am honored to be here today to join Tamara Chrisler in testifying on the Office's fiscal year 2007 budget request. I want to take this opportunity to express my appreciation and that of the rest of the Board for the increased funding appropriated to the Office of Compliance in fiscal year 2006 for purposes of completing a comprehensive safety and health biennial inspection. I can assure you that the Office is on track with this vital effort.

Mr. Chairman, the Board would like to commend the work of the entire staff in achieving so many goals in the past few years. We now have a Strategic Plan with a performance line of sight to individual work plans; we have established or are developing protocols to enable us better to partner with the agencies for which we have employment law and safety and health jurisdiction; and we have worked with

this Committee, and GAO to improve and systematize our business practices in budget, performance measures, and strategic planning.

This record of improvement is the result of the hard work and dedication of the four statutory officers who are appointed by the Board, and the dedicated staff they have assembled. While the Board wholeheartedly supports all of the budget requests, we wish to underscore the need which the agency has to increase its FTE complement to 20. Right now the FTE complement of 17 is two less than the 19 the Office was afforded in fiscal year 1998. Over the past several years, the agency has concentrated its available resources on enhancing its service delivery, particularly in the OSH area. Consequently, there is a compelling need for basic operational support staff. I can assure you that the Office of Compliance will continue to make the most efficient use of every dollar which is appropriated by this Committee.

We are available to address any questions.

Senator ALLARD. Thank you for your testimony.

I would like to follow up on your request. You have requested an 11-percent increase over the current year. You gave us some brief explanation. I would like to go over and make sure I understand that.

Ms. CHRISLER. Yes.

Senator ALLARD. Those increases are in the area of three additional full-time employees. It looks to be pretty much on the management side, a program manager, an accounts payable technician, and then a management analyst. Is that correct?

Ms. CHRISLER. That is correct, for the General Counsel's Office.

Senator ALLARD. And what is your priority on those? Did you give those in the way of priority to us?

Ms. CHRISLER. Thank you. The management analyst position is a significant position. And that is a very significant position.

Senator ALLARD. Okay.

Ms. CHRISLER. The accounts payable position, what we have now, Senator, is a very small human resource, as well as budget staff, extremely small. And we are contracting some of those services out now, which are core functions of our office. And to, frankly, be more efficient and more effective in managing our office, that accounts payable position is significant, as well.

Senator ALLARD. I see.

Ms. CHRISLER. The program manager-type position for our office would be split between managing programs, managing projects, as well as carrying out some of the human resource functions in the Office, as well. So although all three positions are desperately needed by the Office, we are able to fund two of them.

Senator ALLARD. Well, I know it is difficult to set priorities, and that is a tough question. I respect and thank you for your straightforward response.

Ms. CHRISLER. Thank you, sir.

Senator ALLARD. Now the Capitol Visitor Center, that is another reason for that increase?

Ms. CHRISLER. Yes, it is, Senator.

Senator ALLARD. Okay. Now, are there any other factors that I did not pick up on in your testimony or maybe you did not have in your testimony that is contributing to the 11-percent increase that you are requesting?

Ms. CHRISLER. There are a number of items that we are requesting assistance for. The main ones are for the full-time equivalent positions, the baseline survey, the case tracking. What is signifi-

cant and of main importance for us is to be able to maintain our progress that we have made so far. The Office wants to be able to sustain itself. And the Office is requesting assistance to be able to grow with the surrounding circumstances.

There are many circumstances that are getting greater attention and requiring greater responsibility and greater inspection and management by our Office. And we are asking your support in general for us to be able to move with and maintain the progress that we have made and also continue to make progress, because as the campus moves and grows and as incidents and issues and circumstances come to the attention of the Office, we want to be in the position to provide the services and resources that are necessary.

BIENNIAL SAFETY AND HEALTH INSPECTIONS

Senator ALLARD. How would you evaluate your biennial health and safety inspection of the Capitol, including the House and Senate facilities?

Ms. CHRISLER. The progress on that is going very well. As Chair Robfegel mentioned, we are 63 percent into that process. And along with me this morning is General Counsel Eveleth, who maintains overall management of that program. And I would like to defer to him to add additional comments to that question.

Senator ALLARD. Okay.

Mr. EVELETH. Yes, Mr. Chairman. We have made significant progress over the past years as a result of the additional funding that we received for fiscal year 2006. In our 108th Congress biennial inspection, we were only able to cover 25 percent of the square footage, that is, of the approximately 16 million-plus square footage. There will be an additional 700,000 once the visitor center comes online. But we were only able to do 25 percent in the last biennial.

At this point, as has been said, we have covered 63 percent. And we anticipate completing the biennial inspection for the 109th Congress by September of this year. So that is a big step forward.

Senator ALLARD. It is.

Mr. EVELETH. As a result of that, we have identified, as was indicated, something like 10,000 violations, as opposed to our last inspection, where we discovered 2,600 violations. That number, in turn exceeded the biennial inspection for the 107th Congress where we identified something like 360 violations. That does not mean it is because things have gotten worse. It is just that we are doing a much more thorough baseline inspection.

Senator ALLARD. And under those violations, have you tried to break them down into categories?

FINDINGS BY RISK ASSESSMENT CODE

Mr. EVELETH. I can tell you, I can break it down. We have a system which we call a RAC system. That is a risk assessment code system. This is common in industry, and in other departments. And ours is based on the Department of Defense's risk assessment code system.

It is a combination of rating each hazard during the inspection according to the risk of injury or illness or potential of death. It de-

depends upon a combination of the probability that an employee could be hurt and the severity of the illness. The RAC's are based on that. And the most serious RAC rating would be a risk one, and that goes to a risk five, which is de minimis.

Now we ourselves do not count risks that are de minimis. We just do RAC one through four. And so I can tell you—

Senator ALLARD. The 10,000 only includes one through four. It does not include five?

Mr. EVELETH. No. We do not even record de minimis ones.

Senator ALLARD. So the 10,000 would get you the RAC one, two, three, and four.

Mr. EVELETH. Right. And of the RAC's, there are 20—this is as of today or last week—we discovered 20 RAC ones—those are the most serious—1,655 RAC two's; 7,681 RAC three's; and 759 RAC four's.

Senator ALLARD. What would be an example of a RAC four?

Mr. EVELETH. A RAC four would be such things as—let us see. I have some examples of that. There may be some electrical cord hazards, some ladder hazards, broken ladder, some fall protection hazards. There might be a problem with fire extinguishers, that they are not currently inspected. There might be an issue about storage shelving hazards, overloaded shelves or something.

Senator ALLARD. I have a pretty good feel where that is.

Mr. EVELETH. Right.

Senator ALLARD. And a RAC one example would be?

Mr. EVELETH. Well, a RAC one would be—as you know, the tunnels would be an example of that, where there would be falling concrete, where there is asbestos, and things of that nature. A lot of electrical issues would also be a RAC one—where a worker could be exposed to an electrical hazard.

Senator ALLARD. Bare wires or something like that.

Mr. EVELETH. Bare wires and so forth.

Senator ALLARD. Okay.

Mr. EVELETH. And when we do the RAC's, it is not a one-size-fits-all kind of RAC. In other words, an electrical hazard in one situation might be a RAC one and another might be a RAC four, depending on the circumstances. For example, if there were a wet floor or something, that would heighten the risk, if someone were to be shocked.

FIRST OFFICE OF COMPLIANCE COMPLAINT UNDER THE OCCUPATIONAL SAFETY AND HEALTH ACT

Senator ALLARD. Now I would like to proceed to one of the RAC ones, the one that has the most publicity at this point in time. That is the complaint that you filed with the Architect of the Capitol regarding a condition of the Capitol complex utility tunnels. Now this is the first time that OOC has filed a complaint under the Occupational Safety and Health Act. You have filed other complaints, but this is the first one under that act.

Mr. EVELETH. That is correct.

Senator ALLARD. Why did the OOC believe it necessary to file a complaint?

Mr. EVELETH. Well, my predecessor, as you know, issued a citation back in the year 2000. And when I came on board in 2003, my

intent was to determine which were the most hazardous areas. And the first areas that we began to look at were areas that had not been inspected at all in the past. And I wanted to be sure what was going on there.

And in 2005, we began, when we had additional resources that we did not have before, we began our inspection of the Capitol Power Plant tunnels and the Capitol Power Plant itself, because that was an area where a citation had been issued previously. And what we discovered in the course of that, that while some work had been done, in effect very little work had been done. That is to say, in 2000 a contractor that had been inspecting the tunnels under the engagement of the Architect of the Capitol—that contractor identified areas within the tunnels that needed to be fixed within 1 year, immediate attention, as well as other ones that had to be done within 5 years.

What we discovered in our inspection was—and they were also required to monitor the progress of those things, because they continued to deteriorate. Those tunnels are very hot. They go up to 130 degrees, some of the tunnels, and they are also damp. And that combination causes rust. And the rust in the rebar that is under the cement, it expands as a result of rusting. And whole sections can and have delaminated. That is, they have fallen down. And smaller areas have spalled. So that is a very serious situation. And the contractor said, “You need to do these things within a certain period of time.”

Senator ALLARD. Is that what the original contractor said in 2000?

Mr. EVELETH. That is what the original contractor said, right, back in 2000. Our citation back in 2000 basically tracked what that contractor had found and said to fix these issues. Continue to monitor, fix the safety communication system so that people within the tunnels can notify the people outside the tunnels, if they have to get out, if there is an emergency, and also to assure that there were sufficient number of egress points so they could be rescued in the event of a collapse or injury or what have you.

And when we went through the tunnels in June 2005, we discovered that the communications system, although it had initially been improved, was not working properly. And not all the areas were covered by the communications system.

A number of the egress points had been welded shut during past years. And there were not—there was an insufficient number of egress points. And finally, they had not completed the repairs or made any attempt to do the repairs in most of the areas that had been identified by the contractor.

We met with the Architect of the Capitol, as we do monthly, that is to say, representatives of the Architect of the Capitol and described the problem. They gave us a tentative mitigation plan, which we examined. And we reached the conclusion—and I told the Architect about this as well—we reached the conclusion that it was insufficient. And it was insufficient in at least two respects.

In one respect, it was insufficient because insufficient monies were going to be reprogrammed or were going to be asked for in this fiscal year. I think less than \$4 million was being requested. Whereas the contractor back in 2000 had said it will be at least

\$13 million in order to just do the concrete, to prevent the spalling of the concrete and things like that. So we knew that an insufficient amount was being requested. And therefore, it would not be possible to do all the repairs within short order.

And the other aspect of it that was of most concern to us was that there were no intermediate measures that were being undertaken or proposed by the Architect until the full repairs could be made. And there was no suggestion about putting in netting or any other kinds of things that might be able to be done to protect the workers.

And because of that, we decided that it was necessary to file a complaint.

Senator ALLARD. Okay.

Mr. EVELETH. I am sorry if that is an overlong answer.

Senator ALLARD. No, we needed that detail. Thank you.

The question, then, is what kind of follow up do you have? This has gone on for 6 years now.

Mr. EVELETH. Right.

Senator ALLARD. Well, 5½ years. I have been an inspector myself, and I always would say I will be back in 1 month and see how you are doing. Why was there not that kind of follow up?

Mr. EVELETH. I cannot answer that entirely, because I was not on duty at that time. But what I can tell you is that under the citation, the Architect was supposed to have completed the repairs during the following fiscal year.

Senator ALLARD. So we were just taking the word of the Architect that the work had been done?

Mr. EVELETH. No, no, sir, no. I am saying that they had a couple of years in order to do the work.

Senator ALLARD. Yes.

Mr. EVELETH. And then we would go back and see whether they had done the work.

Senator ALLARD. I see.

Mr. EVELETH. There was not a continuing reporting process. That is number one.

Two, we did not have the resources, frankly, to do all the inspections and to follow up on all these things until—as I say, when I got on duty, my primary interest was to look at those violations and citations that looked the most serious and those that had not been inspected at all. And so I turned to that.

Now should we have done more? Absolutely we should have done more. And now we are in a position to do more. And that is what our whole intention is to do by this RACS system, is to be able to identify those violations that are the most serious in terms of likelihood of occurrence and likelihood of injury to people. And that is going to be our emphasis.

Senator ALLARD. And do you have a system of tracking these violations now within the Office of Compliance?

Mr. EVELETH. We do now.

Senator ALLARD. When did you put that into effect?

Mr. EVELETH. Pardon me?

Senator ALLARD. When did you put that into effect?

Mr. EVELETH. We asked for that, I believe it was, for our fiscal year 2005 budget. And then we have been in the process ever since

of loading into that tracking system not only our current inspections—that is, when the inspectors go out, they come back to the Office, they load it into our system, and it says exactly where the violation is, the RAC number, what code section is being violated, and when the employing office or the Architect will abate it. And then we analyze that data, and we will go back as soon as we have the information from them and tell them, yes, we think that is appropriate or no, you have to speed that process up.

But thank goodness for that appropriation, because when you are talking about 10,000 violations, plus what we have found in earlier years, it is impossible to keep track of it without some kind of a solid database.

Senator ALLARD. You do. And you have to prioritize.

Mr. EVELETH. Right.

Senator ALLARD. As an inspector, if I found a serious violation, I would say I will be back in 2 weeks or I will be back in 30 days—

Mr. EVELETH. Right.

Senator ALLARD [continuing]. To follow up on things. If it was less serious, I would say, well, I will pick it up in a couple of months and see how you are doing.

Mr. EVELETH. Right.

Senator ALLARD. So it seems to me that if it is a RAC one, it needs to be followed up a little more closely than if it is some other less serious violation.

Mr. EVELETH. Absolutely. And what we do, when our inspectors go in and they see a RAC one situation, they immediately issue a notice of serious deficiency and tell them to fix it. And we follow up on all those RAC ones right away.

Senator ALLARD. Okay.

Mr. EVELETH. Now obviously if you have a situation like the tunnels, that is not something that can be fixed like that.

Senator ALLARD. No. I understand that.

Mr. EVELETH. Right.

Senator ALLARD. We are doing our best to respond to that, by the way, if you noticed.

Mr. EVELETH. Right. And we greatly appreciate that.

Senator ALLARD. Yes.

Mr. EVELETH. That is critical.

COMPLAINT AGAINST ARCHITECT OF THE CAPITOL ABOUT THE TUNNELS

Senator ALLARD. Apparently your office is involved in a legal proceeding to address the complaint with the Architect of the Capitol, I understand.

Mr. EVELETH. That is correct.

Senator ALLARD. What is the status of that process? And how do you expect it will conclude?

Mr. EVELETH. Well, we are now in the process of—we have submitted position papers, both sides. The hearing officer has been appointed. We will be setting out our respective witnesses and all the pretrial stuff that goes with that.

Senator ALLARD. This is a hearing procedure—

Mr. EVELETH. That is correct.

Senator ALLARD [continuing]. Using a hearing officer, not a full-blown court case. Is that right?

Mr. EVELETH. Well, the process is this: A hearing officer is appointed by the Executive Director of the Office of Compliance. A full litigation proceeds with discovery and so forth. There is then a hearing before a hearing officer, who issues a report. That report then may be appealed. The results of his order in this case will be appealed to the board of directors of the Office of Compliance. And then the dissatisfied party may go to the United States Court of Appeals for the Federal Circuit. So it is an administrative proceeding before the Office of Compliance, but subject to appeal to the court.

ARCHITECT OF THE CAPITOL PLAN TO REMEDY TUNNEL ISSUES

Senator ALLARD. Now, has the Office of Compliance had an opportunity to review the Architect's plan that was submitted on April 10, to both Senator Durbin and myself to remedy the tunnel problems?

Mr. EVELETH. There was an excerpt given to us, I believe, last week. And later last week, we asked the Architect to provide that to us.

Senator ALLARD. That is, almost 30 days after we received it, it was given to you?

Mr. EVELETH. Right. And we just received it this morning. So I have not had a chance to look at it yet. But we were asked by the Architect's Office to respond to that. But as I said, we just got it this morning.

Senator ALLARD. Okay. I am surprised that he did not allow you to review that before he submitted it to the subcommittee.

Mr. EVELETH. Well, I believe the position of the Architect's counsel was that because we were in litigation, they were not going to share that information with us, and that was really something that should be governed by the discovery under the proceedings that are now before the hearing officer.

Senator ALLARD. When did the litigation get filed?

Mr. EVELETH. February 28.

Senator ALLARD. The 28th.

Mr. EVELETH. Right.

Senator ALLARD. So their immediate response is not to talk to you after that litigation is filed?

Mr. EVELETH. Well, I think there could be more communication, yes, sir.

Senator ALLARD. Yes. So you would have preferred that they communicated with you at least before they submitted the plan to us.

Mr. EVELETH. Right.

Senator ALLARD. As a consequence, we do not know how you really feel about that evaluation because you just got it yesterday.

Mr. EVELETH. Right. Today.

Senator ALLARD. Today?

Mr. EVELETH. Right. This morning. That is correct.

Senator ALLARD. You did not have a chance to review it for this testimony.

Mr. EVELETH. No, I did not.

Senator ALLARD. I would like to get your evaluation on that as soon as possible. As soon as you do get a chance to evaluate it, would you send it to the subcommittee as part of your response for this hearing?

Mr. EVELETH. Yes, indeed.

[The information follows:]

As was discussed at the hearing, that report was not provided to the Office of the General Counsel (OGC) until the morning of the hearing. We are attempting to provide overall comments to the abatement plan itself, but also to the specific questions you posed. This is based on the assessment of the members of our staff and our contract safety consultants as well as a recent summary briefing by the staff of the Architect of the Capitol on May 11, 2006, respecting the AOC plan.

The Architect's plan raises complex technical questions that this office will need to address with respect to the adequacy of the measures proposed to be undertaken, both in the short and long term, to correct the hazardous conditions. This will require the services of structural engineering firms and other experts in order to make these assessments. Since this office does not presently have on hand the necessary technical expertise to evaluate the AOC plan, it is in the process of interviewing experts for these purposes. Accordingly, this should be considered to be a preliminary report. With this caveat, however, the OOC is fully supportive of the emergency supplemental budgetary support to fund the AOC plan.

We met with representatives from the AOC's safety, engineering, and tunnels staffs on May 11, 2006, to provide further explanation of the report. The AOC's report (on page 42) provides immediate and mid-term estimates of costs exceeding \$117 million. While that estimate provides a breakdown of costs for each tunnel for fiscal year 2006, 2007, and 2008, it does not provide a similar breakdown for each program area (i.e., asbestos abatement, communications upgrade, egress improvements, etc.). At the meeting with the AOC officials, we became aware that additional financial sheets existed that would provide this information. The AOC provided those figures to the OGC on May 16, 2006, and they are currently being reviewed by this office.

The Architect's abatement plan provides a plan of action, not only for the conditions identified in the Complaint, dated February 28, 2006 (falling concrete, emergency communications, and emergency egress), but also for those conditions identified in Citations 60 and 61 (asbestos and heat stress).

Comments on the Abatement Plan

At our meeting with the AOC on May 11, 2006, Susan Adams, Director, Safety, Fire and Environmental Programs for the AOC, noted that the abatement plan was developed by the AOC in a 10-day period immediately following their March hearings before the Appropriations Subcommittee and in response to specific requests from Senators Durbin and Mikulski. This fact raises two concerns. First, the Report indicates that even though the Architect was aware of the serious conditions in the tunnels as a result of Citation 24 issued in CY 2000 and the repeated inquiries from OOC inspectors on behalf of the tunnels workers during the 108th inspections, the original fiscal year 2007 budget request from the AOC identified only \$1.8 million to be reprogrammed in fiscal year 2006 and \$1.75 million in fiscal year 2007 for the correction of the hazards and tunnel maintenance. That is a very small percentage of the amount now identified as necessary to correct these significant hazards. Second, we are concerned about the accuracy of both the monetary and time allocations assessed for the individual elements of the abatement plan. While we are certain that the AOC made every reasonable and good faith efforts to prepare reasonable estimates, past experience would indicate that estimates developed under such conditions may not necessarily prove to be accurate either in terms of the length of time or the amount of resources it will take to effectively abate the hazards, especially since the contracted for condition assessments have not been completed, and the full extent of remedial measures necessarily have not been determined. Therefore, both interim and long-term measures proposed by the AOC plan may be inadequate to fully protect the tunnel workers, and may consequently place them at further risk.

In addition, we believe that parts of the AOC's abatement plan do not provide adequate interim protective measures. For example, one interim measure involves the Construction Management Division of the AOC (now Construction Division) conducting visual inspections in order to identify those areas where the risk of falling concrete is most severe. Prior consultant reports indicate that visual inspections may not adequately identify all areas of potential delamination and spalling. The

CD is tasked with removing concrete sections at risk of falling. This is a cumbersome and time consuming process. Workers must erect structures to protect the piping system from falling concrete pieces, and the small, confined spaces make access to the spalling concrete difficult. Therefore, it is unlikely that these interim measures can be completed by the end of the calendar year as estimated by the AOC. The longer this process takes, of course, the longer tunnel workers and others will be exposed to this serious hazard. Additional information should be sought from the AOC to ascertain whether sufficient resources are being dedicated to this task.

Under the AOC plan, hazards in the Y tunnel will be among the last to be permanently fixed. The study which will advise whether the Y tunnel should be replaced or repaired is scheduled to be completed by the end of fiscal year 2006. However, if the recommendation is made to replace the tunnel, then another study will be required to determine if other options, such as alternative sources of power for the buildings serviced by the Y tunnel, are available. That study is not anticipated to be completed until at least the middle of 2007. Again, because of the lack of sufficient egress points, the high heat levels, and the advanced state of deterioration in this tunnel, we are concerned about the adequacy of interim measures to protect workers using this tunnel.

In the abatement plan, the AOC requests approximately \$14 million for complete asbestos removal in the tunnels and the installation of new insulation. The OOC endorses this approach in theory. GAO accurately testified to the Appropriations Subcommittee on April 27, 2006, that the industry standard calls to leave asbestos in place, unless it is going to be subject to further damage, or access is needed for maintenance. During that hearing, however, neither GAO nor the AOC discussed a principal justification for complete removal of asbestos in additional areas of the tunnels where the steam pipes generate excessive heat levels that adversely affects the integrity of the tunnels and the health and safety of tunnel workers. These adverse heat conditions only serve to exacerbate the problems already present causing further deterioration and spalling of the concrete. We are informed by the AOC that by replacing the current asbestos coverings with other types of insulation, the temperatures in tunnels could be significantly reduced. Therefore, the hybrid approach of removing only damaged or friable asbestos and the asbestos found in the excessively hot areas, therefore, may not be effective from either an abatement or cost effectiveness standpoint. Accordingly, we believe that before a decision is made with respect to adopting the hybrid approach this issue should be carefully studied.

Of particular concern is the fact that the abatement plan provides no mechanism for the sharing of information with the Office of Compliance which is responsible for assuring that the violations set forth in the underlying citations are fully abated. The General Counsel is responsible for monitoring abatement. In order to provide appropriate oversight and evaluation of the effectiveness and progress of the abatement measures, the AOC must make continuously available full access to the information produced by the AOC and its contractors. This is an area where this office can be of assistance in providing independent analyses and assessments for the Subcommittee.

Comments to Specific Questions

We were asked to address those priorities that are most urgent and those that could be dealt with at a later time.

While all of the conditions addressed in our Complaint and Citations 60 and 61 are significant, in our judgment the highest priority must be given to those hazards that create the most serious and imminent risk of harm. First and foremost are those measures that protect the tunnel workers from falling concrete. Second, is protection from friable asbestos exposure. Finally, are those risks that are exacerbated as a result of the heat stress.

ASBESTOS ISSUES IN THE TUNNELS AND VAULTS AS OF MAY 2, 2006

A. What has the AIR SAMPLING shown so far?

1. We have reviewed 79 "valid" sample results provided to us by the AOC.
— "Valid" means samples that were not overloaded, voided or field blanks.
2. Nine (9) of these sample results exceeded 0.1 fiber per cubic centimeter; however, only one employee's exposure exceeded 0.1 fiber/cc after the results were adjusted for time.
— 0.1 fiber/cc is the OSHA permissible exposure limit ("PEL") for an 8-hour time-weighted average ("TWA").
— "Adjusted for time" means time-weighted or averaged for an 8- hour period.

3. The one employee whose “time-weighted” sample exceeded 0.1 fiber/cc had a TWA exposure of 0.30 fiber/cc averaged from the two (2) samples of his exposure for that day.

—That employee was an AOC inspector, but it is not clear from the monitoring records what he was doing that produced a much higher exposure level.

4. That employee’s 30-minute exposure (3.49 fiber/cc) exceeded the excursion limit. —The excursion limit (“EL”) is another OSHA PEL for asbestos; the EL limits 30-minute exposures to 1.0 fiber/cc.

5. The documentation records did not have sufficient detail to explain why this worker’s exposure was significantly greater than the other employees’ sample results.

6. The OOC performed five samples on Tunnel Shop employees last week.

—The “preliminary” results for both time-weighted averages and 30-minute excursions have been less than the OSHA PELs.

—“Preliminary” means we have received facsimile results from the OSHA laboratory but do not have the formal confirmation of the results.

7. The OOC monitoring for the Tunnel Shop is not complete.

—During the sampling done last week, Tunnel Shop employees were performing escort duties, tracing circuits and walk-through duties.

—These duties would not be expected to disturb the asbestos and create large exposures.

—The OOC intends to sample Tunnel Shop employees during repairs and when they use equipment likely to disturb asbestos.

—These tasks occur intermittently; therefore, it might take some months before the OOC’s sampling has been completed.

B. Is the personal protective equipment (PPE) used in the tunnels adequate?

1. From the sample results done so far, so good. The “half-face” respirators and Tyvek® coveralls (which also cover the shoes) provide adequate protection for these levels.

—“Half-face” respirators seal across the top of the nose and don’t cover the eyes.

—“Full-face” respirators seal across the forehead and shield the eyes.

2. OSHA requires different types of respiratory protection for higher exposure levels.

—Half-face respirators may be used if exposures don’t exceed 10 times the PEL.

—The highest exposure (time-weighted and excursion) is 3 to 3.5 times the PEL.

3. If future samples (done during operations that disturb asbestos more than the samples taken to date) exceed 10 times the PEL, full-face respirators would need to be used.

—Higher levels would require even more protective respirators.

—If levels exceed 10 times the PEL, then (at least) full-face “powered-air purifying” would be needed.

—Levels higher than 100 times the PEL would require supplied-air respirators operated in the pressure demand mode.

—The highest levels (more than 1,000 times the PEL) would also require an auxiliary self-contained breathing apparatus (often called an “escape bottle”).

C. What DECONTAMINATION is required?

There are two sets of requirements for decontamination.

1. One set is for workers who maintain the tunnels and the equipment within the tunnels.

—Hygiene requirements for these workers are found in the General Industry Standard [§ 1910.1001].

2. A second set of requirements for hygiene is found in the Construction industry standard [§ 1926.1101]

—The definition of construction work [§ 1926.32(g)] lists “construction, alteration, and/or repair.”

—Workers who are abating the asbestos, performing cleanup associated with abatement activities, or performing construction, alterations and/or repair must comply with the Construction Industry requirements.

D. What decontamination does the general industry standard require for asbestos?

The General Industry requirements for “hygiene facilities and practices” lists the following required elements for employees who are exposed above a TWA or EL:

—Clean change rooms must be provided with separate storage areas to prevent street clothes from being contaminated from protective clothing and equipment.

—Showers must be used, at least at the end of the shift.

—Employees required to shower must not wear clothing or equipment outside the workplace during the shift.

- Lunchroom facilities with positive pressure, filtered air supply must be readily accessible to employees.
- Employees must wash their hands and faces before eating, drinking or smoking.
- Employees must not enter lunchroom facilities with protective work clothing or equipment unless surface asbestos fibers have been removed.

E. What decontamination is required by the construction industry standard?

1. The Construction Industry standard [§ 1926.1101(j)] has different “hygiene facilities and practices” required for different types of asbestos work.
2. The most stringent requirements are for “large Class I” jobs.
 - “Class I” work involves removing thermal system insulation or surfacing asbestos-containing materials or presumed asbestos-containing materials (“ACM/PACM”).
 - “Large jobs” involve more than 25 linear feet or 10 square feet of thermal system insulation or surfacing ACM/PACM.
3. The less stringent requirements are for “small” Class I jobs, and for Class II and Class III jobs where exposures exceed a PEL or where exposures have not been determined.
 - “Small jobs” involve less than 25 linear feet or 10 square feet of thermal system insulation or surfacing ACM/PACM.
 - Class II work involves removing ACM other than that in Class I. Examples include: wallboard, floor tile, roofing, siding, and mastics.
 - Class III work involves repair and maintenance operations where ACM is likely to be disturbed.
4. Employees doing Class IV work in a regulated must comply with the hygiene practices of the other employees in the area.
 - Class IV work during which employee contact, but do not disturb, ACM or PACM, and activities to clean up dust, waste and debris resulting from Class I, II and III activities.

F. What decontamination is required for “large” Class I jobs?

1. Decontamination area must be adjacent to, and connected with, the regulated area.
 - The decontamination area must have an equipment room, shower, and clean room in series.
- Employees must enter and exit through the decontamination area.
2. Equipment rooms must have impermeable, labeled containers to contain and dispose of contaminated PPE.
 - Employees do not remove their respirators in the equipment room.
3. A shower area must be adjacent to equipment room and the clean room, unless the employer can demonstrate that this location is not feasible.
4. Where the shower area is not adjacent to the equipment room, before proceeding to the shower, employee must either—
 - remove contamination from their work suits using a HEPA vacuum, or
 - remove contaminated work suits and don clean work suits.
5. A clean change room must be equipped with storage containers for each employee.
 - Employees must change into street clothing in the clean change rooms, or in a clean change area if a room adjacent to the equipment room is not feasible.
 - Upon entering a regulated area, employees must don PPE and respirators in the clean room or area.
6. Lunch areas on site must be in areas where exposures are less than the PELs.

G. What are the decontamination requirements for “small Class I” jobs, or “Class II” or “Class III” jobs where exposures either exceed a PEL or haven’t been determined?

1. An equipment room or area must be established adjacent to the regulated area, covered by an impermeable drop cloth on the floor or horizontal working surface.
 - The room or area must have impermeable, labeled containers to contain and dispose of contaminated PPE.
 - Area must be of sufficient size for cleaning equipment and removing PPE without spreading visible contamination beyond the area.
 - Work clothing must be cleaned with a HEPA vacuum before it is removed.
 - All equipment and surfaces of containers must be cleaned before removing them from the equipment room or area.
 - Employees must enter and exit the regulated area through the equipment area.

H. What have our inspectors found regarding decontamination procedures?

1. During an inspection, one of our inspectors observed a briefing to Tunnel Shop personnel from a safety contractor (Mr. Hedges from "The Safety Company") on AOC decontamination policy.

- The stated goal was to use some General Industry and some Construction Industry requirements; that goal would not produce a compliant policy.
- The briefing resulted in a discussion of end-of-day showering versus showering to prevent contamination from spreading into other campus buildings.
- The only decontamination that our inspectors observed was the removal of PPE, which had been worn over the work clothes that are taken home for cleaning.

I. What information is required in monitoring records?

1. Monitoring records must include the following information [§ 1910.1001(m)(1) and § 1926.1101(n)(2)]:

- The date of measurement;
 - The operation involving exposure to asbestos which is being monitored;
 - Sampling and analytical methods used and evidence of their accuracy;
 - Number, duration, and results of samples taken;
 - Type of respiratory protective devices worn, if any; and
 - Name, social security number and exposure of all employees whose exposure are represented.
2. The two required items that we have found to be of concern in the past are:
- The description of the operations lack sufficient detail to determine the potential sources and pathways of exposure.
 - For example, there is no information associated with the single employee whose exposure is 3 times the PEL to offer an explanation as to why both of his sample results on that day were much higher than the others.
 - All of the employees whose exposure is represented by a sample are not documented.
 - For example, the descriptions that AOC provided indicated one or two people were doing the same operations in the same area and, presumably, their exposures would be similar. The names of these employees, however, are not identified in the records.

Senator ALLARD. Thank you. Now, rather than both your office and the AOC spending a lot of resources in litigation, I am interested in focusing on results wherever possible. Can the Office of Compliance work cooperatively with the Architect to come up with appropriate remedies to this, or has this litigation step made that impossible?

Mr. EVELETH. No. I would certainly prefer to do it that way. I think that is really what should be done. I think we should be working—we do work—we do meet with the Architect monthly on other matters, as well. And we have worked fairly cooperatively with them. And I do not see why it could not be done in this instance. I also think that we could be working as well with the Government Accountability Office (GAO), because we know that they are involved in this, as well. And I would think that the combined resources of all of us—and as I have said before, we all lay our cards out on the table, because this is one entity, this is the legislative branch. This is not *x* corporation versus something or other. This is one entity, and I look forward to working with the Architect and GAO, if at all possible, in this.

Senator ALLARD. I think one thing that would help us in working with him is to set priorities of those items that are most urgent to take care of and those that could be dealt with at a later time. We tried to work that out with our emergency supplemental request. But I think at some point in time we will ask you that question, and the Architect. So when you are discussing back and forth with one another, that would be an important helpful response for this subcommittee.

Mr. EVELETH. We would be certainly pleased to do that. And that is what we are trying to do.

OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION APPROVED
METHODS FOR ABATING ASBESTOS

Senator ALLARD. Very good. Now the Architect of the Capitol testified last week that they were using Occupational Safety and Health Administration (OSHA) approved methods. From what you understand, are they using OSHA approved methods or not, or do you need to review the plan before you respond to that?

Mr. EVELETH. Is this with respect to asbestos?

Senator ALLARD. Yes. That is on the decontamination procedures.

Mr. EVELETH. Right. Right. Yes and no. We have reviewed some of the samples that we were provided and the data that accompanied that. I do not think that we received all the data yet. And in addition, we are also doing some asbestos testing ourselves, as an office. There are certain requirements that are set out under the OSHA regulations. And there are two problems that we are seeing now, and one is that there is a lack of a description of the operations, adequate description of the operations, that the tunnel workers, or whoever it is that is in the tunnel, could be the CMD people, as well as the tunnel workers who are doing work in the tunnels.

And there is a lack of sufficient detail to determine what it is that they are doing. That is very important in order to make a determination about whether the levels of asbestos exceed the standards. Because you could just be walking through the tunnel, and it is not—you are not—if you are not engaged in your usual activity, you are not in a position to judge what the degree of risk is.

And this is very important because the amount of protection that you are required to have, in terms of face masks and other things like that, come into play, depending on whether or not you are exceeding the exposure levels or not. If you exceed them greatly, then you need different kinds of masks than you would need if you are only exceeding it——

Senator ALLARD. If I remember his testimony, he talked about a half face mask——

Mr. EVELETH. Right.

Senator ALLARD [continuing]. As opposed to a full face mask.

Mr. EVELETH. There are full face masks there. And there are others, as well.

Senator ALLARD. Do you think there might be a need for a full face mask?

Mr. EVELETH. It would depend on the degree of exposure to asbestos.

Senator ALLARD. Okay.

Mr. EVELETH. And if there is a great deal, then you need a full face mask. And if there is even more than that, then you need something that actually pumps air, oxygen, into the mask and so forth.

Senator ALLARD. So you are not sure that they are complying with OSHA approved methods at this point. That is the bottom line. Is that correct?

Mr. EVELETH. I think that would be an accurate way of putting it. And also, there are issues, I think, that involve decontamination, that is to say, whether they provide a clean room for people to take off their work clothes, if there may be fibers of asbestos on it. There are certain requirements with regard to taking a shower before they go out of the area and so forth and so on. And some of those are still questionable.

Senator ALLARD. Well, when you review his report that you just received—

Mr. EVELETH. Yes.

Senator ALLARD [continuing]. Keep that question in mind. If you could give us a more complete answer back, we would appreciate that.

Mr. EVELETH. Okay. Happy to.

[The information follows:]

Question. Does the AOC follow OSHA-approved methods with regard to asbestos, in terms of personal protective equipment and decontamination procedures?

Answer. The type of personal protective equipment (PPE) that is required depends on the exposure level. For example, if the level of exposure does not exceed 10 times the permissible exposure limit (PEL), half-face mask respirators may be used. The limited sample data available to date shows the highest exposure is 3 to 3.5 times the PEL. If this were the highest exposure, then half-face mask respirators would be adequate. If, however, future samples were taken during operations that disturbed asbestos more than the samples taken to date, and the samples exceeded 10 times the PEL, full-face mask respirators would be required. See Asbestos Issues in the Tunnels and Vaults, B.1. below. Because we currently do not have sufficient data to ascertain whether the PPE now used in the tunnels is adequate, we cannot definitively determine the amount of asbestos to which workers are exposed in the course of performing their usual duties.

With regard to decontamination procedures, based upon limited inspection, it did not appear that the decontamination procedures followed by the AOC in April 2006 were fully code-compliant. As discussed more fully in Asbestos Issues in the Tunnels and Vaults, pp. 6–8, below, the OSHA General Industry Standard that applies to workers who maintain the tunnels and equipment within the tunnels sets forth specific protective measures for employees who are exposed to asbestos levels above the PEL. These include providing clean changing rooms with separate storage areas to prevent street clothes from being contaminated from protective clothing and equipment, showers, and limitations upon workers wearing protective equipment in areas outside the workplace. A second set of requirements is found in the Construction Industry Standard. We understand from recent discussions with the AOC that it will be revising its decontamination procedures to bring them into compliance with OSHA requirements.

AIR SAMPLING

Senator ALLARD. Now, unfortunately, the Architect of the Capitol has not consistently and systematically sampled the air in the tunnels for the presence of asbestos. And as a result, we have no documentation on what exposure there may have been in the past. Is AOC currently using appropriate methods of sampling? Can you answer that question?

Mr. EVELETH. I would prefer, if I could, to defer to submit this afterward, because I would rather use the knowledge of my safety experts on that. And they could give you a much more detailed and—

Senator ALLARD. That would be fine.

Mr. EVELETH [continuing]. Precise answer. Because I am a lawyer, as you know, and—

Senator ALLARD. Okay. I will give you some time to do that. I am wondering is it unreasonable to request that you respond back to our concerns within 10 days?

Mr. EVELETH. I think we could certainly do that.

Senator ALLARD. Okay. Well, we will expect it in 10 days. If you cannot, if you would notify the subcommittee——

Mr. EVELETH. I will do so.

Senator ALLARD. I would appreciate that.

Mr. EVELETH. Right.

[The information follows:]

Question. Is the AOC currently using appropriate methods of sampling the air in the tunnels for the presence of asbestos?

Answer. Sampling asbestos correctly necessitates collecting samples under all several scenarios, from those with the most exposure risk to those with the least. This includes taking samples under circumstances under which asbestos may be disturbed and become airborne. In our discussions with the AOC, it appears that it recognizes deficiencies in the methods it has employed in taking asbestos samples. Specifically, there are too few samples, taken under circumstances that are the least likely to disturb the asbestos, and the monitoring records lack sufficient detail to determine potential sources and pathways of exposure. For example, the monitoring is unrepresentative because the samples we reviewed were not taken when employees were performing duties such as performing repairs or using equipment likely to disturb asbestos and create greater exposures. Specific details follow in Asbestos Issues in the Tunnels and Vaults, A. 6&7 & I, below.

DISTANCE BETWEEN EGRESS POINTS

Senator ALLARD. With respect to the new utility tunnel for the Capitol Visitor Center, we had some discussion on that in our last hearing as to the appropriate travel distance between egress points in such tunnels. Now that is a 750-foot tunnel that has no escape hatches. Is there a safety code that mandates what the distance should be?

Mr. EVELETH. Yes, there is. And I would—let me give you, if I may, a brief response to that. And I will also supplement that, if I may. But it is my understanding, after speaking to our safety experts is that yes, there is a requirement. And as we understand it, the distance, there should be an exit at least every 800 feet, which means—in other words, there would be a 400-foot travel distance for an employee to get to an exit. It is every 800 feet if the tunnel is fire sprinkler protected. In other words, you get a greater distance if there is a sprinkler in there. If there is not——

Senator ALLARD. Is that tunnel that was just constructed fire sprinkler protected?

Mr. EVELETH. We have not inspected that. I do not know the answer to that. But I do know that that is the requirement. In other words, there would be 600 feet between exits if it is not fire sprinklered. It is 800 if it is fire sprinklered.

Senator ALLARD. I see.

Mr. EVELETH. So that in this instance, it is assuming that it is not fire sprinklered. It would appear—but, of course, we have not inspected it. We do not know what it looks like. There may be something that we do not know about it. So I do not really want to opine more than I just have.

Senator ALLARD. Now there seems to be more confusion. The Department of Labor has their Occupational Safety and Health Administration and they have a fire code here. It is the NEPA 101

Life Safety Code. If I refer to that document, does that make sense to you?

Mr. EVELETH. Yes.

Senator ALLARD. Okay. In that document, in paragraph 40.2.6.1, they say the travel distance measured in accordance with section 7.6, that is the travel distance to exits, shall not exceed 200 feet or 60 meters.

Mr. EVELETH. Right. But I believe that there is another section, which is 40.2.6.3.

Senator ALLARD. Okay. Well, I think we are confused on the subcommittee. I am wondering if you can resolve this.

Mr. EVELETH. Certainly.

Senator ALLARD. And get a memo to us on that.

Mr. EVELETH. Right. Because there is a special exit travel distance requirement for low and ordinary hazard special purpose industrial occupancy. That is the way it—

Senator ALLARD. Okay.

Mr. EVELETH. And that is apparently a more lenient issue.

Senator ALLARD. It depends on the type of tunnel that you are dealing with.

Mr. EVELETH. That is correct. That is correct.

Senator ALLARD. Okay. Well, if you would work that out.

Mr. EVELETH. Sure.

Senator ALLARD. And we are interested in making sure that we are meeting the code with the new tunnel.

Mr. EVELETH. Right.

Senator ALLARD. That is the bottom line.

Mr. EVELETH. Right.

[The information follows:]

Question. Clarify the travel distances between escape hatch for tunnels (with and without sprinkler). Which Life Safety code applies under what circumstances?

Answer. The Life Safety Code was developed to provide protective measures for building occupants when there is a fire. However, the main hazard in Capitol Hill utility tunnels is a steam leak. Although most of the time when safety people think about a “travel distance” issue, they think of fire safety and the Life Safety Code, unfortunately, there is not a specific tunnel safety code. Although we are not certain what standard should apply in steam tunnels, we want to be very sure we understand what the generally applied practice is. There probably is an “industry practice” for the major tunnel designers and builders, and we have been received some preliminary data that indicates it may be about 500 feet, from exit to exit (point-to-point). We need to ascertain the industry practice in order to determine if the General Duty Clause of the Occupational Safety and Health Act applies in this circumstance; if there is an industry practice, the General Duty Clause requires that it be followed.

Some of the remedies in the Life Safety Code to protect tunnel occupants from fire could actually make conditions in the tunnels more hazardous, if a steam leak were to occur. For example, a fire barrier would not help, because it would compartmentalize sections of the tunnel and cause steam buildup and intensity. If steam leaks, what the workers need to be able to do is to run away from the leak and get out of the area or tunnel. In the case of the Capitol Visitor Center utility tunnel the only safety item at issue is whether the distance between the two exits is too great. The tunnel was installed with only two exits—one at either end, with the distance between exits of almost 800 feet.

We have had discussions of this issue with the AOC and the CVC contractors who built this tunnel. A review of the engineering consultant’s assertions to the AOC would appear to indicate that there is no outside limit to the travel distance that is required under the Life Safety Code due to the way the engineering contractor characterized the tunnel. We disagree with the underlying assertion that unlimited distance is acceptable, since, among other factors, the industry practice would suggest otherwise.

What we have been told by the AOC is that installing another egress point would be expensive and that there is no money for doing it. This week, the Office of Compliance met with representatives from the AOC and the CVC contractors, and explained to them that we wanted to do further research into the issue and verify what is the "acceptable norm" for tunnel egress, as a matter of industry practice. Until we've completed our research, the OOC is not taking the position that another egress is needed in the CVC tunnel, but we do want to find out what other organizations are doing when they build new utility tunnels. We anticipate that we will reach a conclusion by the end of this month, and we will so advise the Subcommittee.

If an additional egress is required, the additional construction may be done after the CVC has been opened to the public. Hence, the opening need not be delayed by this consideration.

FIRE ALARM SYSTEM IN THE CAPITOL VISITOR CENTER

Senator ALLARD. As you know, a debate is going on now between the Architect of the Capitol's fire marshal and the Capitol Police Board as to the fire alarm system in the Capitol Visitor Center. Do you have any comments as to how this issue can be resolved expeditiously, and who ultimately should have the authority to make the final determination?

Mr. EVELETH. We have not been involved in these discussions or consulted in these discussions, but I think we are generally aware of the position of the fire marshal. Our position has been during our inspections, and this does not deal with the CVC, but our belief is that, certainly except for the Capitol, our belief is that if a fire alarm is pulled, then the alarm should go off. And rather than having it do what it does in the Capitol, where there is an annunciator board, and the Capitol Police then go and check to see whether there is actually a fire or not. And then they come back and do what they need to do. If there is a fire, obviously they allow the alarm to go off.

That is a unique situation. And it is unique. And for a number of good reasons, it is done that way. But it is done that way because there are a large number of Capitol police available, which means that they can travel to the location of wherever that fire alarm has been pulled in short order and get back and do something about it.

That is not the case with some of the larger office buildings on the Hill. And that is not the case with the visitor center, as well. So it would be—our belief is that when a fire alarm is pulled, that the alarm itself should sound.

Senator ALLARD. So your recommendation would be to treat the Capitol Visitor Center like any of the other large buildings around and still keep the Capitol under its exemption status because of the number of officers that are available in the immediate area.

Mr. EVELETH. That is correct.

Senator ALLARD. I see. I understand that that is the position of the fire marshal.

Mr. EVELETH. Right.

Senator ALLARD. But it is not the position of the Police Board. Is that correct?

Mr. EVELETH. That is correct. Right. Now your other question was who should make the decision, I believe.

Senator ALLARD. Yes.

Mr. EVELETH. And normally the decision like that is made by the authority having jurisdiction, which, of course, is a term of art in the building industry. And normally that is an authority that is sort of independent of the parties in the sense that, for example, if I am a builder and I want to do something, I either have to follow code or I have to come up with something that provides the equivalent level of safety and protection, safety protection. And it is usually some independent entity that makes that decision.

A number of years ago, a couple of years ago, the Architect asked to be designated as the authority having jurisdiction, so that it could in effect waive the prescriptive requirements and implement its own. This agency notified the Senate that it objected to that position, because it felt like it needed the separation between the individual deciding the case and the—I think that the—

Senator ALLARD. So the OOC has notified the Senate that they do not think there is enough distance between the Architect, as far as personal culpability, I guess, for you to be happy with the Architect making the decision. Is that right?

Mr. EVELETH. We would not be happy with the Architect being the authority having jurisdiction over matters of which it is itself both an advocate for change and approving the change. And so that was the position we took then.

Senator ALLARD. I see.

Mr. EVELETH. Our position—

Senator ALLARD. Now where did that recommendation go to?

Mr. EVELETH. I cannot recall. We received notice that they had asked for that authority. And we wrote a letter. And I cannot tell you at this point—

Senator ALLARD. Well, you had asked through the appropriation process.

Mr. EVELETH. It could have been. I can dig that up. I just do not remember off the top of my head.

Senator ALLARD. Okay.

Mr. EVELETH. But what I am getting at is I think we also took the position then that the Office of Compliance is a perfect model for being an authority having jurisdiction. That is to say, it is an independent entity that can make judgment about health and safety issues. And I would think that would also be true in this sort of situation.

Senator ALLARD. Okay.

Mr. EVELETH. And there is a full method of litigating that, really, if they object and we would issue a citation, I mean, our board would decide. And if they wanted to challenge it in the court, they could do that. Hopefully, it would not come to all that. But it is the principle that we are talking about.

Senator ALLARD. Hopefully you would work it out and quickly.

Mr. EVELETH. Right. Right. We would do it, we would hope to do it quickly.

Senator ALLARD. Okay.

Mr. EVELETH. We think the law is pretty clear on this.

[The information follows:]

Question. With regard to the debate between the Fire Marshall and the Capitol Police Board as to the fire alarm system in the Capitol Visitor Center, how can this issue be resolved expeditiously? Who should have the authority to make the final

determination? When and to whom in the Senate did the OOC recommend that the AOC not be the authority having jurisdiction (AHJ)?

Answer. Relevant to the question of the proper procedures to be applied in the operation of the fire alarm systems in the CVC are the findings by the OOC's General Counsel described in his biennial report to Congress, Report on Occupational Safety and Health Inspections during the 108th Congress pursuant to the Congressional Accountability Act, pp. 19–21 (excerpt attached). As noted in that Report, under the Fire Code, a fire alarm system is required that activates a general alarm throughout a building to alert occupants of fire or other emergencies.

There are two exceptions to this requirement. First, a positive alarm sequence is permitted that allows a three-minute delay in the activation of the general alarm. Trained personnel are allowed up to 180 seconds to investigate; if the system is not reset, all alarms are activated automatically. This delay is intended to permit an investigation to determine whether there is a false alarm. The AOC Fire Marshal has endorsed the use of the pre-signal sequence in the Capitol building where there is a sufficient number of trained officers on duty to enable them to complete an investigation within three minutes. The second exception permits a pre-signal system that requires that the initial fire alarm system be automatically transmitted without delay to a municipal fire department and an on-site person to respond to a fire emergency. The specific deficiencies in the existing fire alarm system procedures in the House and Senate office buildings are discussed in detail in the Report.

With regard to who should have the authority to make the final determination on this and other issues, we noted some of this agency's concerns in a letter to the Honorable C.W. Bill Young dated February 20, 2004 (copy attached). Although the Life Safety code does have not any conflict of interest restrictions, other building codes do place such restrictions on the official enforcing the code. If the Appropriations and relevant Oversight Committees determine that the Office of Compliance should be specifically designated as the authority having jurisdiction over these matters or to resolve disputes between other entities, the Office is well-situated to handle such responsibilities. Indeed, under the Congressional Accountability Act, the Board of Directors of the Office of Compliance is designated to serve as a neutral forum for resolving all disputes arising under the CAA, subject to court review.

In particular, Congress vested the Board with the authority to determine whether a modification in the application of a health or safety standard is warranted because of special circumstances. In particular, by virtue of § 1341(c)(4) of the CAA, employing offices may request from the Board of Directors of the Office of Compliance variances from the health and safety standards otherwise applicable by showing that the alternative proposed would provide a place of employment which is as safe and healthful as required by the standard from which the variance is sought. Procedural Rules of the Office of Compliance, § 4.26 (b)(4). Alternatively, the citation and/or complaint procedures under the Office of Compliance's Occupational Safety and Health Act jurisdiction could be followed to make a final decision on the issue.

Senator ALLARD. Thank you for your testimony. You have been helpful.

Mr. EVELETH. Thank you.

GOVERNMENT PRINTING OFFICE

STATEMENT OF BRUCE R. JAMES, PUBLIC PRINTER

ACCOMPANIED BY:

MIKE WASH, CHIEF TECHNICAL OFFICER

STEVE SHEDD, CHIEF FINANCIAL OFFICER

Senator ALLARD. We will go to the next panel now. Our next panel will be the Government Printing Office.

I want to welcome Mr. Bruce James and his team. GPO is requesting \$151 million, an increase of \$29 million over the current year or a 24-percent increase. The increase is in part due to the requirement to update the U.S. Code over 6 years, as well as some initiatives to further modernize the agency.

Mr. James, you have accomplished much in your 4 years as Public Printer, and we appreciate your service. You have a great deal to be proud of, including reversing the trend of annual losses at the Government Printing Office, revamping the agency into, as you put it, a 21st century digital platform capable of addressing ongoing technological changes in how information is processed and disseminated, and developing new business lines, such as the electronic passports.

You will be a tough act to follow. And we hope you will stay on in the Government Printing Office until the President can find a suitable replacement. We look forward to reviewing the various initiatives you have requested for fiscal year 2007 and a status report of your efforts to make further improvements to modernize the Government Printing Office.

You may proceed with your testimony now, Mr. James.

OPENING REMARKS OF BRUCE R. JAMES

Mr. JAMES. Thank you and good morning, Mr. Chairman.

Senator ALLARD. Good morning.

Mr. JAMES. I have a statement I would like to submit for the record.

Senator ALLARD. I will ask unanimous consent. Without objection, we will do that.

Mr. JAMES. Thank you. And I will make a few opening remarks. But before I do, I would like to introduce two of my colleagues at the table with me. The first is Mike Wash, who is the Chief Technical Officer of the Government Printing Office. Mike came in about 2 years ago to join us and has the responsibility for evaluating new technologies that are coming down the road that could impact Government printing, particularly the dissemination of Government information.

He also has a responsibility for the development of what we are calling the future digital system, which is the system that will ingest all Government information and then be in a position to re-

process that information and send it to the Internet or send it out for printing or however else in the future someone might want to use it.

I also have with me Steve Shedd, who is the Chief Financial Officer of the Government Printing Office. Steve has been with us for nearly 3 years now. He came to us after experience in the private sector both with private and public companies as a chief financial officer. And they will assist me, if you ask me any tough questions.

Now as I was sitting in the audience, Mr. Chairman, I could not help but observe your shirt. And, you know, some people might just say, well, this is just another shirt with, you know, a suit. But as I sat out there, I was trying to think of the exact mix of cyan, magenta, yellow, and black that I would use to print that shirt, to reproduce it. And, you know, that got me thinking that much of what we do at the Government Printing Office is just that subject, that there is a certain mix of colors that we would use in printing ink to reproduce that shirt accurately.

That would be analog printing, of course. But interestingly enough, if we presented it in a digital form on a TV set or on a computer screen, there would be a different set of primary colors involved with it. And I think what has happened here not only in the Government, but what has happened in the information industry, is that for many, many years we went along as if everything would be printed. So all of the information was gathered. It was maintained. It was coded for future printing.

And what we found, of course, today is that printing is just one way of delivering information. As a matter of fact, much of the Government's information is now being delivered in digital format, as you are well aware. Last year, the Government Printing Office put 92 percent of all Government publications on the Internet. And the 8 percent missing is because we have not figured out how to do maps and other kinds of things, but we will get there.

So we are making great progress. There are certain things that we are focused on, in particular that I am focused on, in my last months of service. First is the GPO building complex itself. In terms of square footage, the complex is twice the size of the Capitol. It is almost the size of the Empire State Building. It is a very large building complex that was built for a different purpose than the enterprise that we have today. At one time, there were nearly 10,000 employees housed in the Government Printing Office buildings. Today we are down to just above 2,000. And we do not see that number of employees climbing greatly.

So we have a facility that is obsolete in every way. Now rather than come to this subcommittee and to Congress and ask for public funds to replace that building and re-equip it for the future, instead we have worked out, I think, a very ingenious plan for converting the existing real estate we have into cash that would allow us to build a new building and equip that building as we need to do without losing title to that property for the Government.

What is significant about that is that about \$35 million of what we spend each year at the Government Printing Office goes to the maintenance of this obsolete campus. And it is money that we would not have to otherwise spend if we were not there.

And, you know, I sit here in front of you asking for a relatively modest amount of money. But I want you to think about that \$35 million that we are spending each year that we do not have to spend. If we get on with this building project, we will be able to actually reduce the request to this subcommittee for appropriations each year. So any help that you can give us in helping to move this project along, we would much appreciate it.

The second very important thing that we are engaged in is the building of the future digital system, which falls under Mike Wash. That system, as I mentioned 1 minute ago, is the future. What it will do is take Government information into the system. It will not be coded for printing. It will have a generic coding scheme in it that both identifies the kind of information it is, whether it is a headline or a paragraph or what it is.

It also will contain the source, who created the document, when was it created, that type of information. And it will be stored in such a way that it will allow us to authenticate the fact that the information is actually what the author wrote. It will allow us to preserve that information in perpetuity. And it will allow us to repurpose that information and send it out however the Government might require it in the future, or however a public user might want that information in the future.

The third thing that I think is very important is that it is one thing to take the ongoing information of the Government and be prepared to deliver it digitally. But, you know, we have a 200-year history. And that history is very important. We have tons, carloads, trucks, warehouses full of paper all across the country that represent the legacy documents of the United States Government.

Now we are very fortunate to have 1,250 library partners in the Federal depository library system, which has maintained those books for us in print, and not only maintained those books, but most importantly have helped the public get the information from those books.

But our libraries are changing. The entire world is changing. And we have to be able to go back and digitize that legacy collection and also make it available over the Internet. Now we believe we probably can find the funds to do this ourselves, with not much help from Congress.

The next area that we are focused on is workforce retraining. We have a lot of people at GPO that are used to the analog world, those who once set type with linotype machines, once made plates, once operated offset presses. And I do not believe they are threatened in any way by the changes that we are talking about. As a matter of fact, our 23 bargaining units have been very supportive of the changes that we are making. And I think the reason is that over our 145-year history we have been through many technological changes, each of which made the Government Printing Office stronger. And they see this as just part of a pattern.

But we owe it to these folks to build on the skills that they have acquired over the years, to now introduce and train them in new digital skills. And we are focused on that.

We also are focused on replacing our legacy computer systems. You hear this, the Appropriations Committee hears this, almost from every agency. When I walked in the door, I could not believe

the state of the computer systems. I mean, these were machines that I had not seen in 30 years that were held together with spit and chewing gum. And as our employees retire, we had a 81-year-old retire not so long ago, I mean, we are losing the skills that are required to keep those systems up to date. So we are in the process of replacing our legacy computer systems with state-of-the-art equipment that is properly sized, properly constructed to be able to allow us to move along in the future. And we are asking for help in regard to replacing those systems.

PREPARED STATEMENT

And the last thing that we are all focused on, particularly Judy Russell, the Superintendent of Documents, with me, and that is working with our Federal depository libraries to create the Federal depository library system of the future. It is clear that as we change in the way we process information, libraries, too, are changing. And we want to make sure that we are completely aligned with our libraries. These have been very valuable partners for many years. And we do not want to lose the value of that partnership, which we believe is helping the American public find and use Government information.

And that concludes my opening remarks, Mr. Chairman.
[The statement follows:]

PREPARED STATEMENT OF BRUCE R. JAMES

Mr. Chairman and Members of the Subcommittee on Legislative Branch Appropriations: It is an honor to be here today to present the appropriations request of the U.S. Government Printing Office (GPO) for fiscal year 2007.

Mr. Chairman, this will be the last time I have the privilege of appearing before you. Over the past three years, with the strong support of this Subcommittee, we have managed to turn GPO in a new direction, one that promises a positive future for our great agency for many years to come. Now, after three and a half years of working to achieve that result and much more, it is time for me to begin the plans for return to my home in Nevada. My pledge was to remain as Public Printer for the 3 to 5 years it would take to reposition GPO for the future. I have advised the President that I will continue to serve until a new Public Printer is chosen. I want to assure you that I will work hard to make a smooth transition of leadership so that GPO does not miss a step going forward.

2005 RESULTS

Since my appointment as Public Printer, we have been transforming GPO into a 21st century digital platform capable of addressing ongoing technological changes in how information is processed and disseminated.

Our goal is to provide Government information in the form and formats our customers want and need in this burgeoning digital era, and to ensure that the abiding mission of the GPO—Keeping America Informed—continues to be carried out for generations to come.

A primary order of business has been restoring and maintaining GPO's financial health. I am pleased to report that our efforts to modernize and prepare GPO for the future, with Congress's support, are generating measurable—and ever improving—returns to GPO's bottom line.

Net income from consolidated GPO operations for fiscal year 2005 increased to \$6.1 million from \$1.3 million the previous year, reversing the pattern of losses from the last decade. We also recorded another reduction to our long-term liability for the Federal workers compensation program.

Our financial turnaround has also been aided significantly by efforts to right-size GPO's workforce through voluntary separation incentive programs supported by Congress. In 2003 and 2004 we reduced GPO's workforce by 542 positions, resulting in a savings in personnel compensation and benefits costs of about \$38 million annually.

During the first quarter of fiscal year 2006, another incentive program, which was carried out under the Consolidated Appropriations Act for Fiscal Year 2005 (Public Law 108-447), resulted in a further reduction of 89 positions. Recurring annual savings from this recent program will be approximately \$8 million commencing October 1, 2006.

Fiscal year 2005 marked a turning point in our transformation efforts with the release early in the year of our Strategic Vision for the 21st Century, which was transmitted to Congress and distributed to GPO's stakeholders in both the public and private sectors.

This document provides a framework for how our transformation goals—development of a digital content system to anchor all future operations, reorganization of the agency into new product- and service-oriented business lines along with investment in the necessary technologies, adoption of management best practices agency-wide including retraining to provide needed skills, and relocation of the GPO to facilities that are sized and equipped to meet our future needs—will be carried out and funded. During the year we made significant progress in each of these directions.

The core of our future operations will revolve around a digital content system that we currently refer to as FDSys, for Future Digital System. FDSys is being designed to organize, manage, and output authenticated content for any use or purpose.

With the approval for transferring the unexpended balances of prior year appropriations to GPO's revolving fund, we secured the majority of the funds we will need to bring FDSys into operation. In the development of this system, we are engaging key elements of our customer community in Congress, in Federal agencies, and in the library community, and we are working under the guidance of the Joint Committee on Printing.

We created a new business line for Security and Intelligent Documents in 2005 that consolidates our longstanding expertise in security documents and offers a broad range of consultative services to Congress and Federal agencies attempting to respond to new standards and statutory requirements in this area. An early product of the unit was the security printing requested by the Joint Congressional Committee on the Inauguration to support the first Presidential inaugural ceremonies since 9/11. This business unit is working closely with the Social Security Administration, the State Department, the Department of Homeland Security, and other Federal agencies with secure and intelligent documents responsibilities.

We also created a new Digital Media Services business line to provide essential retraining in digital production skills and eventually generate content from legacy documents for ingest to FDSys. We are developing an efficient and cost-effective approach to legacy digitization to be carried out by this new business line, and are currently engaged in a demonstration project as approved by the Joint Committee on Printing.

During 2005 we endowed other business lines with new capabilities. To improve plant production efficiency and broaden the range of product and service options for Congress and Federal agencies, we invested in a variety of new color and digital production technologies.

We augmented our expert printing procurement services by partnering with a nationwide firm to provide innovative new convenience duplicating and printing services to Federal agencies across the country. This contracting mechanism features provisions for capturing Federal documents electronically, which will significantly assist our efforts to broaden the availability of Federal information for public access and reduce the incidence of "fugitive documents." We also significantly increased the dollar limit on our popular simplified purchase agreements, expanding and simplifying the ability of Federal agencies to procure products and services directly from lists of pre-qualified vendors without first having to go through GPO.

Under the leadership of GPO's Superintendent of Documents, we engaged the depository library community in a dialog to define the future of the Federal Depository Library Program while continuing to move the Program toward a predominately electronic basis as required by Congress. The total number of titles we now make available on GPO Access (www.gpoaccess.gov) increased to more than 300,000, with an average of 37 million retrieved every month, and the dollars we now dedicate to distributing print publications to depository libraries has fallen by at least 50 percent over the past decade.

In our Sales of Publications Program, we developed a plan to partner with private sector sales and distribution providers who can expand Government publications sales offerings to the public, implementing a key recommendation of a management audit of GPO ordered by the House and Senate Appropriations Committees in Public Law 105-55. The plan would also return a portion of the revenues to GPO. We have issued a Request for Proposal for these services.

We continued work on our Oracle enterprise system, which will replace a number of labor intensive accounting and inventory functions with IT solutions, reducing cost and speeding work throughput. Expanded employee training opportunities were also made available, ranging from new offerings on the shop floor to “transformational leadership” seminars for all supervisors and managers. Our Digital Conversion System will also provide new retraining opportunities.

Although the GPO is not subject to the Government Performance and Results Act (GPRA), we take the spirit and intent of its provisions seriously, particularly its emphasis on performance measurement. During the year we worked to design systems to provide quantitative measurement in evaluating the progress of our strategic and management initiatives, and in this request we are seeking funds to implement that system.

Progress toward our goal to relocate the GPO to new facilities moved ahead in fiscal year 2005 with the delivery of a formal plan for this project by our expert real estate advisory consultant. The plan, along with draft legislative language to authorize the project, was submitted to our oversight and Appropriations Committees accompanied by legislative briefings. We also began work on a plan to establish an ancillary production site for passports and other essential Government documents, and will be consulting further with our oversight committee on this matter this year.

FISCAL YEAR 2007 REQUEST

Our fiscal year 2007 appropriations request is designed to provide for:

- Continuation of our congressional printing and binding operations and information dissemination services at required levels;
- Essential investment in projects to continue the transformation of the Federal Depository Library Program to a predominately electronic basis, by improving the cataloging, preservation, authentication, and provision of public access to electronic Federal Government information; and
- Investment in information technology to improve the efficiency and effectiveness of GPO’s operations, and completion of the program we have begun to retrain GPO’s workforce to meet changing technology demands.

Congressional Printing and Binding.—For the Congressional Printing and Binding Appropriation, which covers printing and related services for Congress, we are requesting \$100,285,000. This is an increase of \$13,076,000 over the level provided for fiscal year 2006. As you know, the funding level provided for this appropriation in fiscal year 2006 is equal to fiscal year 2005, minus the one percent rescission. The increase is required to cover mandatory pay and price level changes and projected changes in specific congressional printing categories based on historical data, and is partially offset by ongoing improvements in productivity. Mandatory items include funding for the production of the 2006 Edition of the U.S. Code, which by law is fully updated and issued every six years by the Office of the Law Revision Counsel, as well as required support capabilities residing at the alternative computing facility. Our request also provides funding to begin investment in a new generation of publishing systems that will be capable of fully supporting Congress’s current and future information product needs.

Salaries and Expenses Appropriation.—For the Salaries and Expenses Appropriation of the Superintendent of Documents, we are requesting \$43,000,000, an increase of \$9,996,000 over the level provided for fiscal year 2006. This appropriation provides for the cataloging, indexing, and distribution of Government publications to Federal Depository and International Exchange libraries and other recipients designated by law.

The increase is necessary for mandatory pay and price level changes, increased information technology support costs, and distribution of the 2006 edition of the U.S. Code to depository libraries and other recipients as required by law. Equally as important, our request includes funding for essential investments to sustain our commitment to meeting the changing needs of the Federal Depository Library Program (FDLP) in the digital era. For fiscal year 2005, 71 percent of all new titles made available to the FDLP were in online format only, while an additional 21 percent of new titles were in electronic and one or more tangible formats such as print or microfiche. Only 8 percent of new were made available in print only. In other words, 92 percent of new titles in the program were made available online, whether or not there were tangible equivalents.

As this data shows, the FDLP is now a predominately electronic program. The funding increase we are seeking will nurture and sustain the digital transformation of the FDLP, expanding the availability of the program’s resources nationwide while providing for essential improvements to ensure permanent access and authenticity.

The projects we are proposing include digital conversion of GPO's pre-1976 cataloging records to expand the availability of our online catalog resource; targeted capital investment for authentication and other technologies supporting GPO Access; authentication and cataloging of Web-harvested documents; and essential training for depository librarians and other user support.

Our request is also designed to advance another key initiative of our strategic vision for the future. In cooperation with the Library of Congress and the National Archives and Records Administration (NARA), we are developing an agreement under which the three agencies will make a concerted effort to digitize and provide online public access to Federal documents reaching back to the Nation's earliest days. As a result of this effort, the comprehensive historical collection of Federal publications—reports, legislation, congressional proceedings, executive orders, presidential papers, regulations, and more—will be available for search and retrieval at the push of a button from any library, classroom, office, or home. We are now involved in a demonstration project for legacy digitization.

As our society becomes increasingly electronic, the demand for access to Government information—including information that until now has been available only in print—is growing. Several elements of both the public and private sectors have begun to respond to need for retrospective digitization to meet that demand and reduce costs to libraries. These efforts are commendable, but with their proliferation there is a growing need for an approach that will ensure standardization, comprehensiveness, and efficiency while preventing wasteful overlap and duplication of effort. I have met on this subject with the Librarian of Congress and the Archivist of the United States and we expect to conclude an agreement on this effort in the near future. While GPO will fund its role in this effort from available resources, our request for fiscal year 2007 includes \$2 million to provide data tagging and related technical support for newly digitized content that is made available to the FDLP.

Revolving Fund.—For GPO's revolving fund, we are requesting an appropriation of \$8,231,000, an increase of \$6,251,000 over the level provided for fiscal year 2006.

This will provide funds to acquire essential information technology infrastructure and systems development, including risk reduction and security enhancements, computer-aided manufacturing, replacement of our antiquated job-cost reporting system, implementation of a Government Performance and Results Act (GPRA) compliance system, and other measures. Our request will also be used to complete the training program we have initiated with fiscal year 2006 funds to define GPO's workforce needs, assess the skills of current employees, identify the gaps, and design and deliver targeted, just-in-time training to close those gaps. A well-trained workforce and modernized information technology architecture are prerequisites to implementing our vision of GPO's digital future.

Mr. Chairman and Members of the Subcommittee on Legislative Branch Appropriations, thank you for all the support you have shown for our efforts to transform GPO. With your support we can continue our record of achievement. We look forward to working with you in your review and consideration of our request.

FACILITY RELOCATION

Senator ALLARD. Well, thank you for your testimony, Mr. James. We have just a few questions here.

It appears that your plans to move the Government Printing Office out of the current facility are not moving along quite as expeditiously as you would like. If the Government Printing Office is unable to relocate in the near future, how will that impact the Government Printing Office's plans to further modernize its operations?

Mr. JAMES. Well, we are not going to let a building stop us. I mean, the Government Printing Office is not about a building. It is about systems and people. And so we are not about to let a building stop us. But I think this is maybe even more personal to me as the leader of the GPO. It just to me is a travesty to allow taxpayer money to be flushed down the drain the way we are doing this.

I mean, we can do a better job. And that is what I have been working at, to try and give the taxpayers a better deal on this. And I know that you have, too. This subcommittee and the House Ap-

appropriations Committee have been working with us all the way along on trying to get this done, too.

TOP CHALLENGES

Senator ALLARD. What are the top challenges that you face or the Government Printing Office faces? And what advice would you provide for your successor?

Mr. JAMES. Well, I think the things I've talked about today are the remaining big challenges in front of the Government Printing Office. The most important things, I think, that I have done over the last almost 4 years are to make certain we had the right people in the right positions and then to help them to develop a long-term strategy that would serve the American public and serve Congress, and then to help get that program off and going. And we are there.

The remaining big challenges include the redevelopment of the building. And, you know, it is not just a matter of getting congressional approval to proceed. Once we have that approval, there is a big challenge of finding a new location for the GPO and hiring an architect and building a building and equipping that building. So that is probably the largest challenge.

And I think that everything surrounding digital information is the other challenge. I think Mike Wash and his team are doing a superb job of building the system, but it will require continual attention and strict attention to make sure it is successful.

BUDGET PRIORITIES

Senator ALLARD. Given the budget constraints we are faced with, it is unlikely that we are going to be able to come up with a 24-percent increase. It will probably be something less than that. And as I have asked of all the other agencies, I hope you can give us a prioritized list, because that would be very helpful as we negotiate with the House on this, if we know which things are most important to you. I would hate to think that in the negotiating process we gave up the most valuable for something of less importance.

Mr. JAMES. Sure.

Senator ALLARD. So it would help us to make sure that your agency gets its badly needed resources in the proper priority.

Mr. JAMES. We would be pleased to do that. And I think we have a good relationship with staff and would be pleased to work with them and help them understand the priorities.

Senator ALLARD. If you could do that, for the record, we would appreciate it.

Mr. JAMES. Yes, sir, be happy to.

[The information follows:]

GPO FISCAL YEAR 2007 APPROPRIATIONS PRIORITIES

CONGRESSIONAL PRINTING AND BINDING

	In millions
Fiscal year 2006 Enacted Level	\$87.2
Fiscal Year 2007 Requested Level	100.3
Total Increase Originally Requested	13.1

Approximately \$12.1 million is needed for essential requirements, including funding for mandatory pay and price changes to cover contractual wage agreements and inflation, an adjustment to the fiscal year 2006 base to cover a projected shortfall for fiscal year 2006 (which will be funded from unexpended balances of prior year appropriations transferred to the revolving fund last year), anticipated workload increases in several congressional printing categories based on projections from historical data, and the production of official and bylaw copies of the 2006 edition of the U.S. Code in accordance with statutory requirements.

Additional requirements of \$1 million include funding for a planned replacement of GPO's Microcomp composition system, which will require the approval of the Joint Committee on Printing.

	In millions
Essential Requirements:	
Mandatory pay and price changes	\$2.3
Adjustment to fiscal year 2006 base	1.4
Anticipated workload increases	3.7
Production of 2006 U.S. Code	4.7
Total	12.1
Additional Requirements: Microcomp replacement	1.0

SALARIES AND EXPENSES

	In millions
Fiscal Year 2006 Enacted Level	\$33.0
Fiscal Year 2007 Requested Level	43.0
Total Increase Originally Requested	10.0

With the exception of the mandatory pay increases and the printing and distribution of copies of the 2006 edition of the U.S. Code to depository libraries, GPO's requested increase of approximately \$10 million covers projects directly related to the broad range of information life-cycle activities required by the congressionally-mandated transition to a primarily electronic Federal Depository Library Program (FDLP) and to building the infrastructure to support it. Because these activities are interrelated and support each other, GPO must proceed with multiple priorities to meet Title 44 mandates in the online information environment.

If funding at the originally requested level is not an option, GPO will scale back digital initiatives or slow down progress on the electronic transition rather than pursue one or two priorities to the exclusion of others. Elimination or more substantial reduction of any of these activities through funding prioritization will necessitate consultation with the depository library community.

If appropriations cuts are required GPO could still support its mission with essential requirements totaling approximately \$7.1 million, a 29 percent reduction from the initial request for the Salaries and Expenses Appropriation. These requirements include mandatory pay and related costs, printing and distribution of the 2006 edition of the U.S. Code for depository libraries, expenses due to investment in IT and GPO's Future Digital System (FDsys), FDLP training and user support of FDsys (with funding reduced by 20 percent, or \$265,000, from the original request), conversion of pre-1976 cataloging records (with funding reduced by 63 percent, or \$500,000; implementation of this project will be modified from a single multi-year contract to multiple single-year contracts, with requests for funding to be made in subsequent years), cataloging of web-harvested documents (with funding reduced by 10 percent, or \$63,000), authentication of web-harvested and digitized documents (with funding reduced by 10 percent, or \$45,000), and capital expenses associated with authentication and access.

Additional requirements shown below total approximately \$2.9 million. They include funds for data tagging and processing new digitized content for access (while a demonstration project for legacy digitization has been authorized by the Joint Committee on Printing, GPO does not yet have authorization for the full legacy digitization project, and if not provided for fiscal year 2007, funding could be requested in subsequent years once the project is approved), as well as restoration of the reductions shown above for FDLP training and user support for FDsys, conversion of pre-1976 cataloging records, cataloging of web-harvested documents, authen-

tication of web-harvested and digitized documents, and capital expenses associated with authentication and access.

	In millions
Essential Requirements:	
Mandatory pay and related costs	\$0.8
U.S. Code 2006 edition, printing and distribution	2.0
Expenses due to investment in IT and FDsys	1.2
FDLP training and user support of FDsys	1.1
Conversion of pre-1976 cataloging records .....	.3
Cataloging of web-harvested documents .....	.6
Authentication of web-harvested and digitized documents .....	.4
Capital expenses associated with authentication and access .....	.7
Total	7.1
Additional Requirements:	
FDLP training and user support of FDsys .....	.3
Conversion of pre-1976 cataloging records .....	.5
Cataloging of web-harvested documents .....	.05
Authentication of web-harvested and digitized documents .....	.05
Data tagging and processing new digitized content for access	2.0
Total	2.9

REVOLVING FUND

	In millions
Fiscal Year 2006 Enacted Level	\$2.0
Fiscal Year 2007 Requested Level (Fiscal year 2007 request is a total of \$3 million for training and \$5.2 million for IT projects; fiscal year 2006 enacted provided \$2 million for training)	8.2
Total Increase Originally Requested	6.2

Of the requested increase, approximately \$1.0 million is needed for essential requirements, which represents an increase over the funds provided for fiscal year 2006 for workforce training and development to provide GPO employees with the skills needed for GPO's digital future. Total funds approved for fiscal year 2006 for training were \$2 million; GPO is requesting a total of \$3 million for training for fiscal year 2007.

Additional requirements of \$5.2 million are requested for high risk infrastructure replacement to cover 8 projects to mitigate high technical risk areas, a secure documents system infrastructure to provide IT support for GPO's secure and intelligent documents business unit, a computer-aided manufacturing system to integrate GPO's production systems with IT monitoring, replacement of GPO's outdated PROBE system that provides job cost tracking, an application infrastructure to integrate GPO business systems into Oracle, a Government Performance and Results Act (GPRA) compliance system to monitor and evaluate program performance, and a metadata repository to standardize data used in GPO's business systems.

	In millions
Essential Requirements: Workforce retraining	\$1.0
Additional Requirements:	
High risk infrastructure replacement	2.3
Secure documents system infrastructure .....	.8
Computer-aided manufacturing .....	.5
PROBE replacement .....	.5
Oracle application infrastructure .....	.5
GPRA compliance system and implementation .....	.3
Metadata repository .....	.3
Total	5.2

EMPLOYEE RETRAINING

Senator ALLARD. Now Congress approved \$2 million in the Government Printing Office 2006 budget for workforce training. Can you update us on your efforts on that?

Mr. JAMES. You want to know how we spent that money?

Senator ALLARD. Yes. We want to know what the results are.

Mr. JAMES. I would like to submit the specifics for the record. But I will give you sort of a general view of what we have done with this.

In my judgment, the most important thing was to make certain our 330 supervisors are completely trained in what being a supervisor is all about. In the past, we moved people from the workforce that were skilled craftsmen just almost based on seniority into these, what I call, these leadership positions without sufficient background and training of what it takes to be a leader.

So the first thing we did was focus on helping all of our roughly 330 supervisors/leaders to understand their responsibilities and what they need to do in a digital world and actually in a world of today. And we used the strategic vision document as the working tool of how to get them to understand what their role was and how to carry this down to employees.

We then set up a new business unit that we call the digital media group. And this is the group that will do the conversion of the legacy documents of the Government into digital documents. And this will create hands-on training for hopefully several hundred GPO employees over the next few years as we complete that digitization. So those are the big initiatives that were undertaken in the last year. But I will give you a full explanation of that for the record.

Senator ALLARD. Thank you.

USE OF GPO TRAINING FUNDS

For fiscal year 2006, Congress appropriated \$1.9 million (after rescission) to GPO's revolving fund for workforce development and training.

Approximately \$500,000 has been allocated to a demonstration project for the digitization of selected legacy Government documents that has been approved by the Joint Committee on Printing. The project will train a targeted element of GPO's workforce in essential digitization skills.

Approximately \$100,000 has been allocated to the provision of training in PC skills, electronic publishing, new pre-press technologies, customer service improvement, and apprentice training.

The balance of the funds are for a GPO-wide skills assessment and implementation of retraining and include the following: \$170,000 for a needs analysis and skills assessment, \$630,000 for classroom training, \$270,000 for e-training, \$130,000 for a Learning Management System, and \$100,000 for career transition services.

ELECTRONIC PASSPORT PROGRAM

Senator ALLARD. What is the status of the electronic passport program that you are working on with the State Department?

Mr. JAMES. That is one of the most challenging jobs that we have had. The State Department is one of our best customers. And as you know, this is a program that has been mandated by Congress. And that is to include a biometric chip in all of the U.S. passports. And the law is requiring that of other countries, too, that want to have the visa exemption.

We have been working for about 2 years on that program with the State Department. We actually have working samples out in the field right now. We are delivering official passports. I believe in the last couple of weeks, we started delivering official passports with chips and antennas. We have learned a lot in this process. We probably have more knowledge than perhaps any other organization in the country at this point about what goes into dealing with these chips in a paper product.

As a matter of fact, we have learned so much that we are looking at sharing this with other agencies to meet some of their requirements, both for ID cards and for other kinds of secure and intelligent documents that the Government will need. I have come to the conclusion that I think the Government Printing Office can be of great service to other agencies in the development and maintaining of a proprietary Government technology that will help ensure that documents cannot be counterfeited and they are authentic documents.

We are looking at doing this with some interesting models. We are looking at getting in the business of producing ID cards.

Senator ALLARD. What kind of ID cards?

Mr. JAMES. These are the new ID cards that are required that have RFD devices in them that will be for all agency employees. And there we are looking at the possibility of doing a Government-owned, contractor-operated plant within GPO facilities. In other words, taking the best advantage of the private sector and their know-how and how to officially manufacture, but yet keeping it within a Government facility for the necessary security protections.

So we have learned a lot. We have made great progress. I think this will be one of the fast-growing areas in the future for the Government Printing Office.

Senator ALLARD. So you actually have it in some passports now.

Mr. JAMES. Yes, we do.

Senator ALLARD. Is that part of the trial basis, or is this now just part of routine procedure in those few that you have out there?

Mr. JAMES. I think you are asking me to speak for my customer here, the State Department, on this. And it is my impression that we are still moving cautiously. You know, with old U.S. passports, I should say the former passports, we knew what would happen if somebody left it in the trunk of their car or ran it through a washing machine. You know, we need more experience here in what happens in the real world as people use these devices or these passports, so that we can make certain that the manufacturing techniques we have used will withstand as much as they possibly can. So we are moving cautiously on this one.

FUTURE OF THE DEPOSITORY LIBRARY PROGRAM

Senator ALLARD. Thank you. You also said you are engaging the depository library community in a dialogue on the future of the depository library system. What is the status of that effort?

Mr. JAMES. Well, let me put it this way. I think that together the library community and the GPO have come a long way in the last 3 years. I began to discuss with the depositories a little over 3 years ago what I thought was going to be required in the digital

future. And there were, I think it is fair to say, some real skeptics initially.

But as we have, over the last 3 years, worked so closely together on taking a look at this, I think that probably it is best summed up by a letter I think you recently received, signed by the presidents of the five largest library associations strongly endorsing the direction that we are going. And I think that while we do not have a complete solution yet, I think we are engaged in a very positive way. We know we cannot please everybody. But it is our intention to get to the point that we have a consensus within the community of the best way to go forward with this.

Senator ALLARD. So you are in the discussion process right now.

Mr. JAMES. Yes, sir.

Senator ALLARD. And you have not decided exactly how you are going to proceed from this point.

Mr. JAMES. That is absolutely correct.

Senator ALLARD. Thank you. That is all I need for your testimony. Thank you very much.

Mr. JAMES. Thank you, Mr. Chairman.

Senator ALLARD. We wish you well.

Mr. JAMES. Thank you.

CONGRESSIONAL BUDGET OFFICE

STATEMENT OF DR. DONALD B. MARRON, ACTING DIRECTOR

Senator ALLARD. Good morning, Dr. Marron. We meet again today. It seems like we have been seeing each other on a fairly regular basis here. You are the last panel for this morning. I would ask that you, Dr. Marron, Acting Director of CBO, to present your testimony on CBO's \$37 million request. This is a 5.5-percent increase over fiscal year 2006 and supports current services.

Now, Dr. Marron, we understand you have done an excellent job heading up the CBO since your appointment just a few months ago. And we appreciate your service. Please go ahead with your testimony.

Dr. MARRON. Thank you, Mr. Chairman. It is a pleasure to be here today. You have our written statement, so I will try to be very brief. Let me start by thanking you for your past support of CBO's budget request, most recently for the 2006 request.

As you know, CBO's mission is to provide the Congress with timely, objective, nonpartisan information about budget and economic issues. It has been my great privilege to be with the agency for about 6 months now and to be Acting Director since early this year. And just on a personal note I would like to say I am just incredibly impressed with the enthusiasm and skill and esprit de corps of the CBO and its people. I feel like we are doing an excellent job for the Congress. And I hope to keep that up.

As you say, our fiscal 2007 request is for \$37 million, which would be an increase of \$1.9 million over our appropriation for 2006. It is an increase of 5.5 percent. This is pretty much a plain vanilla request on our part. There are no new initiatives. We view it as a current services budget. It allows us to maintain a level of productivity, allows us to maintain our 235 FTEs, and hopefully allows us to, you know, continue the productivity that we have built up in recent years. Hopefully, it is well documented in our submission.

Our budget is overwhelmingly for people. As we discussed the other day, about 90 percent of the budget goes toward our people. And in essence, that is what is driving our budget request this year. Most of the request is concentrated in people, both because of benefit increases, because of a cost of living adjustment (COLA), and because of merit increases that we would expect to award to people.

In addition, there is a component in there for IT. As you will recall, last year there was an across-the-board rescission. We, to get through this year, focused most of that on our IT budget. We deferred a variety of projects. And so our budget request in essence has a variety of those investments coming back in 2007 being funded.

I am happy to say that I believe CBO provides good value to the Congress and through the Congress to the American people. It has been true in the past, and we intend to make sure it is true in the future.

PREPARED STATEMENT

And with that, happy to take any questions.
 Senator ALLARD. Well, thank you, Dr. Marron.
 [The statement follows:]

PREPARED STATEMENT OF DONALD B. MARRON

Mr. Chairman and Members of the Committee, I am pleased to present the fiscal year 2007 budget request for the Congressional Budget Office (CBO).

CBO is a small legislative support agency. Its mission is to provide the Congress with timely, objective, nonpartisan analyses of the budget and the economy and to furnish the information and cost estimates required for the Congressional budget process. That mission is its single "program." Approximately 90 percent of CBO's appropriation is devoted to personnel, and the remaining 10 percent, to information technology, equipment, supplies, and other small purchases.

The total current-services request for fiscal year 2007 is \$37,026,000 a \$1.9 million, or 5.5 percent, increase over the appropriation for fiscal year 2006 (after the 1 percent rescission). Although CBO's original projected increase from fiscal year 2006 to fiscal year 2007 was 4.4 percent, this request incorporates CBO's need to restore resources that were eliminated in fiscal year 2006 by the rescission.

The requested increase is dominated by \$1.7 million for increases in staff salaries and benefits, which are estimated to grow by 5.3 percent in 2007. CBO's information technology accounts will increase by \$220,000, or 15.6 percent, primarily to restore information technology funding that was reduced to meet the fiscal year 2006 rescission. The remainder of CBO's nonpersonnel budget will increase by 1.7 percent to cover modest inflationary increases in various accounts.

With the requested funds for 2007, CBO plans to continue to support the Congress in exercising its responsibilities for the budget of the U.S. government. CBO supports the Congressional budget process by providing analyses required by law or requested by the Committees on the Budget, the Committees on Appropriations, the Senate Committee on Finance, the House Committee on Ways and Means, other committees, and individual Members. Contributing in various forms, CBO:

- Reports on the outlook for the budget and the economy to help the Congress prepare for the legislative year, including the construction of baseline budget projections to serve as neutral benchmarks for gauging the effects of spending and revenue proposals;
- Estimates the effects of the President's budgetary proposals on outlays and revenues, including effects resulting from impacts on macroeconomic activity;
- Assists the Committees on the Budget in developing the Congressional budget resolution by providing alternative spending and revenue paths and the estimated effects of a variety of budget options;
- Reports on programs and activities for which authorizations for appropriations were not enacted or are scheduled to expire;
- Estimates the costs of legislative proposals, including formal cost estimates for bills reported by committees of the House and Senate, which also identify the costs of mandates on states, localities, Indian Tribes, and the private sector;
- Conducts policy studies of governmental activities having major economic and budgetary impacts;
- Provides the Congress with analyses of policy options, but not policy recommendations, to alter federal outlays and receipts in the near term and over the longer horizon to help the Congress make budgetary choices, set priorities, and adapt to changes in circumstances;
- Constructs statistical, behavioral, and computational models to project short- and long-term costs and revenues of government programs and their effects on the economy; and
- Reports on emerging economic developments (such as natural disasters) and their possible budgetary consequences.

In fiscal year 2007, CBO's request will allow the agency to build on current efforts specifically, the request:

- Supports a workload of more than 1,700 formal estimates of the costs of proposed or enacted legislation and of mandates included in legislation (generally

conveyed in about 600 separate documents) and approximately 160 analytical reports and other products, as well as a heavy schedule of Congressional testimony;

- Supports 235 FTEs, the same number as in 2006, including an across-the-board pay adjustment of 2.7 percent for staff earning a salary of less than \$100,000 (which is consistent with the pay adjustment requested by other legislative branch agencies);
- Funds a projected 5.4 percent increase in the cost of benefits and funds a combination of promotions and merit increases, including pay adjustments for staff whose salary exceeds \$100,000 and who therefore do not receive an automatic annual increase;
- Supports CBO's share of the Federal Accounting Standards Advisory Board (FASAB) budget requirement (\$443,025);
- Sustains management and professional training and development (\$152,400);
- Maintains and continues development of CBO's financial management system (\$101,390);
- Supports the agency's telecommunications services to the Alternate Computing Facility (\$75,000); and
- Allows for upgrading Microsoft Office software throughout the agency (\$75,000).

Before I close, I would like to point out that over the past two fiscal years, CBO has streamlined operations while increasing services to the Congress and meeting ever growing requirements. Those efforts, which have included working in cooperation with other legislative branch agencies and other government organizations, have focused on reducing costs in information technology; library operations; printing and reproduction; storage services; and financial management, including payroll processing, auditing, and reporting. Consequently, the fiscal year 2007 submission requests the funding required for CBO to maintain its current services.

I would also like to report that CBO received a clean opinion on its fiscal year 2004 financial statements.

In addition, I would like to state that the agency is committed to applying many principles of the Government Performance Results Act as discussed in the Senate's fiscal year 2006 report.

Finally, I would like to thank the Committee for its support of CBO's 2006 budget request. The funding provided this year will allow CBO to continue to provide the Congress with vital analyses as well as enable the agency to make cost-effective investments to enhance productivity and reduce costs.

PREPARATION OF REPORTS TO CONGRESS

Senator ALLARD. Now, in the past 2 years, CBO has increased the number and reduced the preparation time of reports for the Congress. That is admirable. Would you explain to the subcommittee how you managed to accomplish that?

Dr. MARRON. Absolutely. I would say the key to that really is good management, to establishing timelines, deadlines, and encouraging folks to meet those. There are always some slippages, but, you know, to have guideposts for people to strive for, and then also to have a culture in which we make a lot of effort up front to make sure that the projects that we choose to undertake are ones that we can get through the entire process to see the light of day, to make sure that we have requests whenever possible from Members of Congress, and then just to carry that forward.

So, I would ascribe that essentially to good management.

ONE PERCENT RESCISSION

Senator ALLARD. Now in fiscal year 2006, a 1-percent rescission was applied to all the agencies. The one exception would have been the Department of Veterans Affairs. What was the impact of that reduction on your activities?

Dr. MARRON. The primary impact on us was to defer a variety of information technology investments, upgrading servers, upgrading PCs. Some of those have some flexibility in the timing of those.

And we decided to put them out of this year and push them into next year.

Senator ALLARD. And that is reflected in this year's budget?

Dr. MARRON. Exactly right. You will see that there is a larger percentage increase in the IT budget, somewhere in the 11-percent range—and a significant part of that increase is essentially those investments showing up in 2007.

BUDGETARY ANALYSIS OF DRAFT LEGISLATION

Senator ALLARD. I see. Now I understand CBO has had a draft of Senator Lott's legislation to redevelop the Government Printing Office facility since December. We had a discussion about that in the panel before you. As I understand it, until the bill is scored, Senator Lott is reluctant to move forward. What is the status of your efforts to provide a budgetary analysis of this draft legislation to the Rules Committee?

Dr. MARRON. Our people are definitely working on it. The proposal raises some challenging issues which raise some nuance scoring issues, but we are working to expedite and it should be available quite soon.

Senator ALLARD. I would urge you move ahead with that. Is it possible for you to give us a commitment on a date?

Dr. MARRON. I cannot right now, but let me check with my folks back in the office, and I will get back to you.

Senator ALLARD. Okay. I think it is important for us to get the Government Printing Office issue settled as fast as we possibly can. If you can get that to us quickly, we would all appreciate it.

Dr. MARRON. Okay. Absolutely.

CONCLUSION OF HEARINGS

Senator ALLARD. Very good. I do not have any other questions. You got off kind of easy.

Dr. MARRON. So I will thank you for that.

Senator ALLARD. Thank you for your testimony.

And this subcommittee stands in recess.

[Whereupon, at 11:45 a.m., Wednesday, May 3, the hearings were concluded, and the subcommittee was recessed, to reconvene subject to the call of the Chair.]